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HEARING
ON
NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 2009
AND
OVERSIGHT OF PREVIOUSLY AUTHORIZED
PROGRAMS
BEFORE THE
COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED TENTH CONGRESS
SECOND SESSION
—
FULL COMMITTEE HEARING
ON
**BUDGET REQUEST FROM THE
DEPARTMENT OF THE ARMY**
—

HEARING HELD
FEBRUARY 28, 2008



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FISCAL YEAR 2009 NATIONAL DEFENSE AUTHORIZATION ACT—BUDGET REQUEST FROM THE DEPARTMENT OF THE ARMY

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Thursday, February 28, 2008.

The committee met, pursuant to call, at 10:05 a.m., in room 2118, Rayburn House Office Building, Hon. Ike Skelton (chairman of the committee) presiding.

OPENING STATEMENT OF HON. IKE SKELTON, A REPRESENTATIVE FROM MISSOURI, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. Welcome to today's hearing, which is the Army posture hearing. We welcome our witnesses today.

I might announce that on occasion we begin the questioning in reverse order. And unless there is an objection, I will say that the questioners will begin in the low seniority coming back to the high on the 12th of next month.

So we welcome the witnesses today, Secretary Pete Geren, the 20th secretary of the Department of the Army, and what is even more impressive, former member of our committee; General George Casey, chief of staff of the United States Army. And we thank you for coming and for your extraordinary service. We are proud of both of you.

Most of all, thank you to the valiant and dedicated soldiers and civilians that you represent. They have the deep gratitude of our nation as well as this committee.

Today's hearing is arguably the most important we will hold this year. We are a nation at war. The Army is faced with an avalanche of demands for ground forces, demands from multiple armed conflicts, from security commitments made to defend our allies and overseas interests, from a requirement to deter potential enemies around the world, and from a mandate to defend the homeland. Collectively this list of missions constitutes the national military strategy.

Today, the Army, along with the rest of the Department of Defense, is at risk of not being able to answer the demands of that strategy without suffering losses that this nation has previously deemed unacceptable. General Casey has described the Army as being out of balance. I would add that we appear to be out of balance and walking on a tightrope. The consequences of falling are unpredictable, but likely grave, and certainly are a gamble we can ill afford.

Normally we would judge the Army budget on two standards. First, does it provide sufficient resources for this year's operations? Second, does it support the long-term health of the Army?

The bad news is that the budget does not fully fund the Army's operations during 2009 and is short in excess of \$100 billion. The Secretary of Defense has pledged to send us a full budget request within a few months, which may or may not arrive in time to be considered as part of this regular budget. So on question one, the grade is incomplete.

Congress also has responsibilities that are incomplete. We have authorized but not yet appropriated money to fully fund Army operations in 2008. However, I am confident that Congress will do so in the very near future.

So let us consider whether the budget properly addresses the future health and readiness of the Army. Readiness is defined as the ability to execute the national military strategy. Readiness today is not good, and it is a particular challenge for the Army.

The requirement to man, train, and equip brigades for Iraq is consuming the Army's personnel, materiel, and budget resources. Other missions required by the national military strategy have taken a back seat. The Army is certainly capable. In many ways, today's Army is the most capable we have ever had, with battle-hardened soldiers and experienced leaders, new technology, and evolving and increasingly effective doctrine for the counter-insurgency fight.

In other equally important ways, however, the Army's capability is not where it was even 5 years ago. The Army is clearly under-prepared for missions that were once seen as central to the mission, and it lacks the robust reserve capacity that has been our traditional hedge against uncertainty.

General Casey in his statement describes the current time as one of persistent conflict. In my 31 years in Congress, we have been involved in 12 significant military conflicts, none of which was predicted beforehand. A hedge against uncertainty is not a luxury, it is a necessity.

So I turn now to the fiscal year 2009 budget, which does include some encouraging steps in the right direction. You continue to grow the Army, a step I have encouraged for 13 years.

We understand that the Army is also likely to accelerate this process when the rest of the budget arrives. This step will go a long ways toward returning depth and flexibility to the force. You have increased funding for training, both tank miles and flying hours, though still short of the requirement.

At the same time, this schedule for replenishing Army prepositioned stocks has slipped 2 years, and the schedule for completing the conversion of the Army to modular brigade combat teams has slipped even longer. These schedule delays are a cause of concern.

The Congress and the department have been working to fill what General Schoomaker used to refer to as the holes in the yard, but they appear to be getting deeper instead. The Congress has authorized and appropriated more than \$67 billion for equipment reset since 2002, and yet the Army's shortages of equipment have pro-

gressively worsened over the last several years. Today we must understand what it takes to reverse this trend.

Last, let me say a few words about roles and missions. The Army and our nation learned a hard lesson in Iraq. The enemy that we crushed on the traditional battlefield found new asymmetrical ways to attack us for which we were not well prepared. Future enemies will do the same, and their strategies will be even more varied.

We must prepare now for those fights by clarifying the roles and missions of the armed forces in emerging areas of warfare such as cyber warfare. Congress mandated in law that the Department review roles and missions. And we are very, very serious about this review.

Critics have argued that the Army, Navy, Air Force, Marines will simply use this process to advance narrow agendas and bicker over budgets and systems. Our direction from this committee and this Congress to you is to prove them wrong and instead take a clear-eyed and creative approach to clarifying roles and missions for future warfare. I know that you will do it right.

I now turn to my friend the Ranking Member, the gentleman from California, Duncan Hunter.

**STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE
FROM CALIFORNIA, RANKING MEMBER, COMMITTEE ON
ARMED SERVICES**

Mr. HUNTER. Thank you, Mr. Chairman. And thanks for holding this very critical hearing.

And to our great friend, Pete Geren, Secretary Geren, great to have you back. And as a former member of the committee, wonderful to see you in your continuing leadership role in this very, very critical position.

Secretary GEREN. It looks different from down here, I am sure, Congressman.

Mr. HUNTER. And, General Casey, thank you, sir, for all your great service to our country.

Gentlemen, this is a critical time in our history. And it is a critical time particularly for the Army because I think we have got a couple of things to prove. One thing is that we have got the agility to field systems that are needed on the battlefield and at the same time, be able to respond to what I call the horizon.

That is to look to challenges and conflicts that are not immediately manifest in Afghanistan and Iraq, but are nonetheless going to be with us shortly and to be able to prepare for that horizon by making the right changes in the Army today.

Before I briefly lay out my own concerns about the Fiscal Year 2009 Budget Request, I would like to just briefly comment on the Army's current readiness, which I think is of concern to all members of the committee. It is very clear that the war that we are fighting is wearing on the Army and on our forces.

However, I think we have to ask are we supposed to only fight the wars that improve military readiness. And by definition the only way to make sure that your bandoleer of ammunition remains full up is never to take a round out and fire it. Because once you do that, by definition you are taking down the readiness count and the readiness capability.

Nobody will argue that the readiness of our military is absolutely crucial to the national security strategy. However, should declining readiness trends spur us to throw up our hands and give up, or should these trends be a warning to all of us and compel us to identify, fund, and fix the shortfalls?

Not too long ago you were both in front of the committee talking about the Army's strategic initiatives. And both of you expressed concerns about the Army being out of balance. You stated that balance is a state of continual readiness that provides strategic flexibility and depth while sustaining the all-volunteer force and simultaneously meeting the current and future demands of the national security strategy in an era of persistent conflict.

So I would like to take the opportunity to thank you for that testimony and to say I agree with you. In fact, I believe that not only is the Army out of balance, but the entire Department of Defense is out of balance.

What leads me to my first concern about this budget request, the President's Fiscal Year 2009 Base Budget request for the Department of Defense amounts to \$515.4 billion, which is \$36 billion more than last year's enacted base appropriation. Specifically for the Army, the President's Fiscal Year 2009 Budget Request is \$140.7 billion, an \$11.8 billion increase over the fiscal year 2008 enacted level.

However, I am disappointed that while seemingly robust, the top line request does not meet a minimal threshold of four percent of gross domestic product, a threshold that several defense and military experts insist is required to meet future and current needs of our military. In fact, Admiral Mullen, Chairman of the Joint Chiefs of Staff in recent public statements has been generally supportive of that approach.

So I would like to ask both of our witnesses to explain what types of security risks the Administration is implicitly accepting as a result. Our servicemembers who bravely defend the American people—for national security interest deserve all the materiel and moral support that we can provide.

We can't afford to continue to separate investments in the Army from the current conversation about the state of the military's readiness. I believe that investments in future capabilities and the readiness of the current force are interdependent.

Finally, I would like to bring up an issue that I brought up at last year's posture hearing regarding the funding for the National Guard and Reserve. I note that in 2000, the National Guard received approximately \$600 million in procurement funding and that today they are getting approximately \$5 billion to \$7 billion in procurement funding, roughly 10 times as much.

So things are getting better, but it is still going to take a long time to get it exactly right. So my issue is that we need to get a handle on all the light, medium, and heavy tactical wheeled vehicles that the Army has in its inventory. National Guard units don't need armored Humvees or armored trucks to accomplish their homeland security missions.

So let us find out where all the unarmored wheeled vehicles are, bounce that against Guard requirements, and help the Guard and

Reserve. And, gentlemen, that has been an issue that we have talked about at some length.

And I know, General Casey, you have been trying to make sure we get a good response in the committee on that. But my instincts are that there is lots and lots of inventory over there that has been brought over by Guard units, left in-country, and as we have up-armored and we have upgraded the armor capability on vehicles and brought in new types of vehicles and we have substituted out, we should have some fairly large inventories of platforms right now in the Iraq theater. And I think that is something that we don't have a good handle on.

We need to have that. If we have got vehicles that are—for example, the 1800 MAC-kitted marine vehicles that we found, I believe, at Takatum that were parked there when they substituted out for the up-armored 114s. If we find large inventories of vehicles that are available, I think we ought to bring those back on these dead end RoRo hauls coming back to the states.

Let us match them up with Guard units that need those vehicles right now and see how many of them we can bring up to a fairly high state of equipment readiness before we see those things being sold off in foreign military sales for pennies on the dollar. So I think that is an important endeavor that we should embark on right now to make sure that we use all of the investment that we have put into the Army modernization.

So I know you are working, General, on getting that information to us. I hope we can get that fairly shortly.

So again, thank you, gentlemen. You have got a major challenge, this challenge of trying to balance the war-fighting theaters and the Army's role in those theaters against the challenges that are on the horizon. And they are many. And so, I look forward to your testimony.

Mr. Chairman, thank you for holding this hearing.

The CHAIRMAN. Thank you.

We now call on our former colleague and our friend, Secretary of the Army, Secretary Geren.

STATEMENT OF HON. PETE GEREN, SECRETARY OF THE ARMY

Secretary GEREN. Thank you, Mr. Chairman.

And thanks, Congressman Hunter.

And thank all members of the committee for giving General Casey and me the opportunity to appear before you to talk about our nation's Army, an Army that has been built by partnership between the Army and this Congress. It is a partnership that is older than our nation.

It was affirmed in our Constitution. And you remind every witness that comes before with Article 1, Section 8 right here in front of us in case we ever forget. But thank you for that partnership.

Mr. Chairman, before I begin my statement, I would like to recognize there are four members of this committee, it is their last Army posture statement. Ranking Member Hunter, Jim Saxton, Terry Everett, and Congressman Udall this will be their last Army posture statement. I did a little arithmetic.

Seventy-eight years of service on this committee. And 78 years of great support for the United States Army. So I want to thank you all for your service.

Mr. HUNTER. And, Mr. Geren, you have got another fine gentleman to thank, too. The gentleman to my left here, Mr. Saxton—did you get—I am sorry.

Secretary GEREN. I believe I mentioned Congressman Saxton.

Mr. HUNTER. Okay.

Secretary GEREN. Congressman Saxton. I did. Mr. Everett isn't here, but I wanted to acknowledge him as well. But you all have put in a lot of time in those chairs and want to thank you for all you have done for the Army.

Mr. Chairman, the President's budget for 2009 is before the Congress, \$141 billion for the Army. As is always the case, the Army's budget is mostly about people and operations and maintenance to support people. Our personnel budget, our O&M budget make up a full two-thirds of that \$141 billion. And as Craton Abrams reminded us often, people are not in the Army, people are the Army. And this budget reflects that reality.

Today we are an Army long at war. We are on our seventh year in Afghanistan. And next month we will be five years in Iraq.

This is the third longest war in American history behind the Revolutionary War and the Vietnam War. It is the longest war we have ever fought with an all-volunteer force.

And our Army is stretched by the demands of this long war, but it remains an extraordinary Army. It is the best led and best-trained and best equipped Army we have ever put in the field. But Army families stand with their soldiers as those soldiers serve and as those soldiers reenlist. Our Army is an Army of volunteers, volunteer soldiers, and volunteer families.

We currently have 250,000 soldiers deployed somewhere around the world in 80 countries. And we have over 140,000 soldiers in Iraq and Afghanistan. Our 140,000 in harm's way are our top priority. We will never take our eye off that ball. And this budget and the supplementals and your support make sure that we give those soldiers what they need and when they need it.

And today and over the last 6 years our Reserve component, Guard and Reserves continue to carry a very heavy load for our nation. Since 9/11 we have activated 184,000 reservists and 268,000 National Guardsmen in support of the global war on terror.

And not only have they stood up for us overseas, as we all know so well, they have answered crises on the home front, whether it was Katrina or Rita or forest fires or brush fires. They have been there. And we have asked a great deal of them over this last decade.

And we are one Army. The active component cannot go to war without the Guard and Reserve. And the challenge before us is to continue the transformation of the Reserve component to an operational Reserve, match the organizing, training, and equipping with the reality of what we are asking of our Guard and reservists.

This budget continues the steady investment in new equipment in our Reserve component. And although we will not complete the recapitalization in this program objective memorandum (POM), it

is important to recognize, as Congressman Hunter did in his statement, we are not where we were, either. We have made progress.

Just looking at a few pacer items. In the Guard in 2001, there were 290 family of medium tactical vehicles (FMTV) trucks. Today there are over 9,000. Single-Channel Ground-Air Radio System (SINGAR) radios—there were 41,000 in 2001. Today there are over 82,000. M4 rifles—2001, less than 6,000. Today, over 120,000.

We are not where we need to be, but we have made progress. And this budget includes \$5.6 billion for Guard equipping and \$1.4 billion for the Reserve. And over the next 24 months, \$17 billion worth of new equipment will flow into the Guard. The last several years of investment it takes a while to work it through the system.

But over the next 24 months, \$17 billion worth of equipment and 400,000 pieces of equipment are bought with that. In the meantime, state compacts and active duty support ensure that our governors have the resources they need to respond to domestic crises.

And the strength of our Army, active, Guard, and Reserve comes from the strength of their families. And our Army families are standing tall with their soldier loved ones. But this long war is taking a heavy toll. We owe our families a quality of life that equals the quality of their service.

Today over half of our soldiers are married. Yesterday Senator Inouye reminded us that when he was in the Army, 4 percent of the soldiers he served with were married. Ninety-six percent were single. This is a major change in the Army of today.

And nearly half of the soldiers who deploy today have children under 2 years of age. When a married soldier deploys, he or she leaves behind a single-parent household and all the challenges of that family dynamic. And when a single parent deploys, he or she leaves behind a child in the care of others.

In the 2009 budget, we are doubling funding for family programs, adding 26 new child development centers to the 35 that Congress funded for us last year. And over the past year with your strong support we have expanded the availability of and reduced the cost of childcare for all of our Army families.

We have asked much of the volunteer spouses who carry the burden of family support programs, a burden that has grown heavier with every year of this war. And they need help.

Our 2008 and this 2009 budget provides much-needed support. We are hiring over 1,000 family readiness support assistants and nearly 500 additional Army community service staff to provide help to those hard-working spouses.

To meet the needs of geographically displaced families, a great challenge for our Guardsmen and Reservists, we are fielding the Army integrated family support network, which is an Internet portal to bring together many services in one spot so we can help meet the needs of those soldiers and their families. And the yellow ribbon program that you authorized last year will provide much-needed support to our Reserve component.

In the 1990's, the Congress launched the privatized housing initiative for the military. And that initiative has been a great success and has made a huge difference in the lives of our families. That initiative replaced Army housing with homes and neighborhoods

and vibrant communities. And this budget builds on that great success.

And for single soldiers we are modernizing existing barracks and completing new ones. Today 75 percent of our barracks meet the one plus one standard. And with your support, over the 2009 to 2015 period, we will reach our target of 150,000 soldiers in modernized barracks.

The budget continues the programs that the Congress and the Army have developed together in meeting the needs of our wounded, ill, and injured soldiers. In your 2008 authorization bill, you gave us additional authorities to help meet the needs of those soldiers. And we thank you for that. And we are implementing those new initiatives. And it has made a difference.

We have stood up 35 warrior transition units across the country to help wounded, ill, and injured soldiers. And each one of those soldiers today is supported by a triad of care, a platoon leader, a nurse case manager, and a primary care physician assigned to every single one of those soldiers. And this budget continues to advance those initiatives, continues to address personnel shortages, improve facilities, and work to accomplish the seamless transition from the Department of Defense (DOD) to Veterans Affairs (V.A.) for our soldiers.

In 2008 and 2009, we will continue to transform Army contracting, pushing ahead with the reforms offered by the Gansler commission and our task force. And in this budget we do look to the future. We never want to send our soldiers into a fair fight.

This budget continues our investment in the programs of tomorrow, our highest modernization priority, future combat systems, which not only will shape the future of our Army, but it is spinning out technologies that help in today's fight.

The armed reconnaissance helicopter, unmanned aerial vehicles (UAVs), and the light utility helicopter, and joint cargo aircraft are part of that future. And we thank you for your support of that.

We are the best equipped Army in the world today. And with your support, we will be able to say that 10 years from now.

And this budget makes a major step forward ensuring the long-term strength and health of our Army by moving the cost of 43,000 of our new end strength into the budget, out of the supplemental into this budget, \$15 billion. And we have accelerated the 64,000 growth in the active duty from 2012 to 2010.

We are a nation long at war facing an era of persistent conflict. And we are consuming our readiness as fast as we build it. But our Army remains strong. It is stretched. It is out of balance, but it remains strong.

And those who seek parallels with the hollow Army of the late 1970's will not find it in this Army. One hundred and twenty thousand soldiers proudly reenlist every year. One hundred and seventy thousand join our Army every year. They are proud of what they do, and they are proud of who they are.

Mr. Chairman, members of this committee, thank you for your support of our Army. Thank you for being partners in building this Army. And let me also thank all of you personally for traveling around the world and meeting with soldiers, whether here at home

or places all over the globe. You all spend your holidays with them. That means a great deal to them.

The morale is strong, and you are a great contributor to that strong morale by being out there on the front lines with those soldiers. I know how hard it is to work that into the demands of your schedule, but thank you for doing that, and thank you for being partners in building the great Army we have. Thank you, Mr. Chairman.

[The joint prepared statement of Secretary Geren and General Casey can be found in the Appendix on page 51.]

The CHAIRMAN. Mr. Secretary, we thank you for your testimony and for your examination of where the Army is today.

General Casey, please.

STATEMENT OF GEN. GEORGE W. CASEY, JR., USA, CHIEF OF STAFF, U.S. ARMY

General CASEY. Thank you very much, Chairman, Congressman Hunter, members of the committee. Not much has changed since the Secretary and I were here in September, but I would like to reemphasize some of the themes that we talked about then, but this time do it in the context of the fiscal year 2009 budget that we are presenting today.

Our country, as has been said, is in our 7th year of war. And your Army remains fully engaged on the front lines, both abroad and at home. I testified in September that I believed the next decades would be ones of persistent conflict. And I defined that as a period of protracted confrontation among state, non-state, and individual actors who are increasingly willing to use violence to accomplish their strategic or their political and ideological objectives.

I also described some global trends that I see going in the wrong direction that I believe will exacerbate and prolong this period of persistent conflict: the double-edged swords of technology and globalization, doubling of populations in developing countries, terrorist organizations seeking weapons of mass destruction, terrorist safe havens in ungoverned spaces.

I said that because of that, our Army must be versatile enough to adapt rapidly to the unexpected circumstances we will surely face. And your 12 instances, Mr. Chairman, are exactly what we must be prepared for. And we have been building that agile, campaign-quality expeditionary force that we believe the Nation needs for this future.

I also said that the cumulative effects of the six plus years at war have left our Army out of balance, consumed by the current fight and unable to do the things we know we do to sustain the all-volunteer force and to build strategic flexibility for other things. I wrestled hard to find the right words to describe the Army, because, as has been said several times already, it is not broken, it is not hollow. I lived through hollow in the early 1970's.

It is a very resilient, competent, professional, and combat-seasoned force, as you said. But as we all recognize, we are not where we need to be.

I have said that we have a plan to help restore that balance. And with your help, we believe that there are four imperatives that we must accomplish here in the next several years: sustain, prepare,

reset, and transform. And let me just say a few words about each of those.

First and foremost, we must sustain our soldiers, families, and civilians. They are the heart and soul of this Army and must be sustained in a way that recognizes the quality of their service. The Secretary mentioned several initiatives here, and they will continue, with your support.

Second, prepare—we need to continue to prepare our soldiers for success in the current conflict. And we cannot flinch from our obligations to ensure that they are properly organized, trained, and equipped to have a decisive advantage over any enemy that they face.

Third, reset—reset is about returning our soldiers and their equipment to appropriate condition for future deployments and contingencies. In fiscal year 2007, you gave us resources to properly reset the force. And as a result, we made significant strides in restoring systems and capabilities. Resources for reset, I believe, are the difference between a hollow force and a versatile, flexible force for the future.

Last, transformed—and, Mr. Chairman, even as we work to put this Army in balance, we must continue to transform to give it the capabilities it needs in the 21st century. For us transformation is a holistic effort. We want to adapt how we train, how we fight, how we modernize, how we sustain our soldiers, families, and civilians, and how we station our forces.

When I was here in September, I showed you some of the equipment that is part of our future combat system. Future combat system is the core of our modernization efforts. And it will provide us the full spectrum capabilities we know we need for the 21st century security environment.

We are seeing the value of some of the systems today in Iraq and Afghanistan and at Fort Bliss, Texas where a brigade of our soldiers is actually testing some of those systems. At its peak, future combat systems amounts to a third of our investment accounts, which I think, as you know, represent about a quarter of our overall budget. So a third of a quarter. And we believe that the future combat system is both essential and affordable.

Now, Mr. Chairman, as you have said many times, the intellectual has to proceed the physical. And later this week we will be releasing a new version of our operations manual. This is field manual three, operations. And it describes the future security environment and prescribes a framework for Army forces to be successful in that environment.

Let me just talk about five significant elements that you will find in this manual. First of all, it describes the complex, multi-dimensional security environment of the 21st century where we believe war will be increasingly fought among the people.

Second and probably most importantly, it elevates stability operations to the level of offense, defense and prescribes an operational concept called full spectrum operations where Army forces simultaneously apply offense and defense and stability operations to seize the initiative and achieve decisive results.

Third, it emphasizes the commander's role in battle command and describes an intellectual process for developing solutions to the very complex challenges and problems we will face in the future.

Fourth, it emphasizes the importance of information superiority in modern conflict.

And last, it recognizes that our soldiers remain the centerpiece of our Army.

We believe this doctrine will provide us a great start point from which to build on our experience of the past 7 years and shape our Army for the future. So that is our plan, Chairman: sustain, prepare, reset, and transform.

And over the last two years, you have given us the funding to begin the process of putting the Army back in balance. This budget, the war on terror supplemental that will accompany it, and the balance of the 2008 war on terror supplemental will allow us to continue the process of putting the Army back in balance.

We appreciate your support, and we have worked very hard to put the resources that you have given us to good use. And I would just like to highlight a few.

First, we have made great strides through our Army medical action plan in improving our care to wounded soldiers. And we are absolutely committed to continuing to improve that.

Second, we have initiated an Army soldier and family action plan to improve the quality of support to our soldiers and families.

Third, we are over 60 percent of the way through our transition to modular organizations. And this is the largest organizational transformation of the Army since World War II. And I have seen the power of these units in Iraq. And they are the types of formations we need in the 21st century.

We are also over 60 percent through our reconversion of 120,000 soldiers to skill sets from Cold War skill sets to ones that are more relevant in the 21st century. We have reset with your support over 123,000 pieces of equipment. We have privatized over 4,000 homes just in the last year, bringing the total to 80,000, which is a significant enhancement to the quality of life to our soldiers and families. And your depots of the Army Materiel Command have won 12 industry awards for efficiency.

So, Mr. Chairman, as you can see, we are not sitting still, and we are actively working to put ourselves back in balance and to give the Nation the Army that it needs in the 21st century.

Now, let me just close, Mr. Chairman, by relating an experience I had right before Christmas. I went up to Alaska, and I was asked to pin a distinguished service cross on a young sergeant, Sergeant Greg Williams. He was on a patrol in Baghdad in October 2006.

His patrol was ambushed from three different directions, and the ambush was initiated by an attack by four explosively formed penetrators. And I think you know those are the very lethal, anti-armor improvised explosive devices.

He was knocked out. He awoke to find himself on fire, to find his vehicle on fire. His eardrum was burst. He put himself out. His first instinct was to grab the aid bag and begin treating his soldiers under fire.

He recognized the lieutenant was still back on the track. He went back on the burning vehicle, dragged the lieutenant to safety and continued to place fire on the enemy.

Recognizing that no one was manning the 50-caliber machine gun on the striker, he went again back into the burning vehicle, which contained over 30 pounds of TNT and detonating cord. He got on the 50-caliber, brought the 50-caliber to bear on the enemy and broke the ambush. That is the kind of men and women that we have in the armed forces today. You can be rightfully proud of what they are doing for this country.

But it will require more than the courage and valor of our soldiers to ensure our Army can continue to fight and win the nation's wars in an era of persistent conflict. It will require recognition of national leaders like yourselves of the threats and challenges that America faces in the years ahead. And it will also require full, timely, and predictable funding to ensure that our armed forces are prepared to deal with those threats and can preserve our way of life.

So, Mr. Chairman, members of the committee, thank you very much for your attention.

The CHAIRMAN. General, thank you for your testimony and for your many years of service in uniform. After examining your testimony and listening to you today as well as having the advantage of other briefings and hearings, I think we are led to several conclusions.

The first is that the Army is too small. The second is that the Army must significantly change its organization doctrine to fight today's and tomorrow's wars. Third, the Army lacks a strategic reserve to fall back on. And fourth, the soldiers in the Army are operating under tremendous, tremendous strain as a result of all these conclusions.

And these issues are basically the same as we have had for the last three years. And I don't see them getting any better. Would you address us as to how this budget, this new budget that you recommend will solve the problems of the size of the Army, the organization and doctrine, the lack of strategic reserve, and the unbearable strain that the soldiers are feeling?

Mr. Secretary, you are first.

Secretary GEREN. All right. Mr. Chairman, this doesn't solve all those problems, but it moves us in the right direction. The Army is too small. And we are, with this budget and with the supplemental, we are increasing the rate at which we are growing the Army.

We are moving the increase in end strength, the 74,000 increase in end strength, which is active, Guard, and Reserve, for the active and the Guard, we are moving that from—excuse me, active and Reserve, we are moving that from 2012 to 2010. So we are growing the Army.

And we are too small for the commitments that we have. And we recognize that. And that impacts the Army in so many ways. The demand that we have from theater right now—in order to meet that demand, we have this 12-month dwell time, which is not enough time for the soldier to get home and get recharged, but it is not enough to train for full spectrum readiness.

And as we grow the Army, as the demand from theater is reduced, we will see that dwell time increase. And that will help us improve the readiness of the Army because we will be able to train across the full spectrum once we are able to keep the soldiers home long enough.

No strategic Reserve—over the last several years, we have worked to try to transform the Reserve component from a strategic Reserve to an operational Reserve. And that transformation is well underway. It has got years to go, but we have continued to invest in the organizing, training, and equipping of the Reserve component so that we can expand their capabilities. And big changes in that regard, not only in numbers of pieces of equipment that are in the Reserve component, but the type of equipment.

They are getting the same type of equipment that the active component gets. They are not getting hand-me-downs. They are not getting old stuff. They are getting new stuff, new helicopters, new airplanes, trucks. And so, that is expanding their capability.

And all three services, all three components are transforming. The Reserves are only getting 1,000 new soldiers. But through their transformation they are going to move 17,000 soldiers into their operating force through transformation, moving folks into high-demand Military Occupational Specialties (MOS). All three components are doing that as well.

Operating under tremendous strain? Absolutely. This budget helps in a number of ways. One is address the strain on the families by doubling the investment we are making in family programs from \$700 to \$1.4 billion and a wide range of initiatives to try to help families, both to help communities help the families, but help spouses, help children. And so, those are several initiatives that I think help us move in the direction we want to go.

We are not where we want to be. We are in the midst of a war. And we are always going to be straining to meet the needs of the present and build for the future at the same time. But I believe this budget—and I think the budget of the future years defense plan that we will submit later this summer will show greater progress. But not where we need to be, but we are moving in the right direction.

The CHAIRMAN. So far, before I call on General Casey, Secretary Geren, you used the phrase “until demand in the theater is reduced”. Do you know something we don’t about the demand in theater, which I assume would be in the Middle East?

Secretary GEREN. Sir, I don’t know anything that you don’t know. And General Petraeus will be here in April and help us have a better sense of what the future holds. But our job, as you know, we are the force provider. And we can’t control what goes on in the theater. And we work with the combatant commanders to meet their needs.

But right now with the force that we have and with the demand in theater, we have been forced into this 12-month to 15-month ratio. And this dwell time does not give us adequate time to reset our Army, to train for the full spectrum of operations. And as we are able to expand that dwell time, we will be able to address some of these readiness challenges that we have today.

The CHAIRMAN. General Casey, would you answer my first question?

General CASEY. I will, Chairman. And I mentioned in my opening statement that this budget and the accompanying supplementals will allow us to continue the process of putting the Army back in balance. And I prefer to think about it by the four imperatives.

In this budget, as the secretary mentioned, is money for soldiers and families. There are money for recruiting incentives, which we need to grow the force. And as the secretary mentioned and I mentioned, the quality of the soldiers is a key element that we want to sustain as we go forward.

Prepare—in this budget, as you mentioned, are increased op tempo and flying hour miles so that we can begin training returning soldiers for the full spectrum of operations. And we should expect to see that in fiscal year 2009. It also contains about \$20 billion to fill some of those equipment holes that you mentioned earlier in your statement.

Transform—probably the biggest element of this budget is the \$15.5 billion that has been put in here for the growth of the Army. And we are increasing the end strength 43,000 in this budget for the active force and I think 1,400 for the Guard. And so, you are seeing things that were paid for in supplemental funding now moving into the base budget, which I believe is a good thing.

You will also see money in here for the future combat system, \$3.6 billion, about 3 percent of our budget, but essential, an essential investment in the future. There is also a total of about \$11 billion in here for Army family housing and military construction and base realignment and closure construction to base that increase in the force.

And there is also, most importantly, \$1 billion in here for leader training. And you mentioned the intellectual piece of this, the doctrine. And I believe this doctrine, as I said, is going to help us shape our way to the future.

I think we have a good direction to put us back in balance, Congressman. And I think with your help we can continue to make progress.

The CHAIRMAN. Mr. Hunter.

Mr. HUNTER. Thank you, Mr. Chairman.

Gentlemen, a year and-a-half ago, having looked at the QDR and looking at the recommendations that they made, we determined on the committee to do our own committee defense review not constrained by what we thought we were going to get in terms of resources, but derived rather from what we thought were the requirements for all the services, including the Army.

The Quadrennial Defense Review (QDR) recommended 70 brigade combat teams. We did our own set of hearings, analyses, briefings with our excellent members on this committee, and we produced a committee defense review that recommended 78 brigade combat teams.

As I understand now, the Army's position has adjusted from the QDR. It has come up from 70 to 76. My first question is that in your personal opinion, with the QDR saying 70, the committee defense review saying 78, you are now at 76, do you think that that

is enough, in your personal opinion? Do you think that is the right peg, 76 brigade combat teams?

General CASEY. Senator, I think the question is, enough for what? It is not enough to continue what we are doing in Iraq and Afghanistan right now at the level that we are doing it at.

As we get down to the 15 brigade combat teams in Iraq that General Petraeus announced last year, I believe that is a sustainable level for some period of time. If you look at 76 brigade combat teams and you look at a one increment out, three increments back for the active component and one increment out, five increments back for the Reserve, that allows us to generate about 15 brigade combat teams in a sustainable fashion.

And we have said all along that those deployment ratios are sustainable for us. So I do believe that 76 brigade combat teams will allow us to meet what I think is a pretty acceptable level of effort.

Now, at a lesser deployment ratio you can surge for a short period of time and get more than that. And that is what we are working toward.

But if I might, the last thing I would say is lots of discussion about when we get to 547,000, is that going to be big enough. And I think that is a question for discussion. But I am leery of building a bigger Army that is not resourced to be the quality of this one. And I came into hollow, and I don't want to go out to hollow. And that is something that we need to have a conversation on nationally, I believe.

Mr. HUNTER. Okay. If you recall the discussions that General Schoomaker used to have with us on what he called the rain barrel, and it was particularly with respect to the Guard and Reserve. And he would draw a picture of a barrel, and he would put the spigot about a third of the way up.

And he would point out—he would say that like that barrel, there were folks in, particularly the Guard and Reserve, who would deploy in this high-deployment era all the time. And yet there were skilled mixes that never deployed.

And part of his efforts were to be directed toward trying to rebalance that skill mix to ensure that you had more people from that non-deployable part of the rain barrel, in fact, deploying. Now, against that backdrop, you also have the problem that I see that this is an unusual war that we fought in Iraq, a rare war in which you have massive resources dedicated to occupation, which is something we don't do a lot of.

And that there are capabilities in the Army, especially in artillery and heavy armor that didn't deploy as much and were not as heavily utilized in this occupation-driven situation. One worry I have had is going out of balance the wrong way. That is shaping an Army that will lend itself well to occupations, which, in fact, is the situation with respect to the present war, but which might not be in a future war in which you need the heavy stuff.

And I haven't looked at the units of artillery and armor that have been stood down, but my question is a general question and for the general and for our good friend, Secretary Geren. Do you think we are at the right balance? Are we achieving the right balance? Or have we taken down too much in terms of heavy capability in the U.S. Army? What do you think?

Secretary GEREN. Our goal is full spectrum readiness. And right now we are not able to claim that. Every unit that we send to theater is prepared for counterinsurgency warfare. They are organized, trained, and equipped for that mission. And they don't go unless they are.

But we are not able to properly organize, train, and equip for the rest of the spectrum of operations. And we aren't where we need to be right now. And some of it is a question of organizing. But part of it is just a question of dwell time, having the soldiers home long enough where they can do the coin mission, but also stay fully qualified in their MOS.

Now, we have moved soldiers, folks out of artillery and taught them to be military police (M.P.s) and have reorganized across all three components to meet this demand and try to give more soldiers the opportunity to deploy. But our goal is full spectrum readiness, both in the training and in the equipping and to be organized to offer that for our nation.

Mr. HUNTER. Yes, General, what do you think?

General CASEY. Just to reinforce what the Secretary said, I mean, we talked offense, defense, and stability operations. We have to be able to do all those across the spectrum from major conventional operations to peacetime engagement.

I mentioned in my opening statement that we were 60 percent through the rebalancing of about 120,000 people from Cold War skills to more relevant skills. That is exactly what you are talking about here. So we are in the process of doing that.

Some of the skills that we are moving—there is about 30,000 artillery and air defense. That gets back to some of the Chairman's issues here on roles and missions because I am quite comfortable relying on the United States Air Force to provide additional fire power and air defense support to us on the modern battlefield.

And so, that joint interdependence is a key part of our capability to fight conventional wars. The last thing is the future combat system is a full spectrum combat system.

Mr. HUNTER. Good advertisement. Thank you, General.

General CASEY. We will—

Mr. HUNTER. Thank you, General.

And, Mr. Secretary, thank you. And again, thanks for your service to our country. I think we have got a great team working what is really a very, very difficult balancing act here over the next couple of years. So appreciate your testimony today.

Secretary GEREN. Thank you very much.

Mr. HUNTER. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Mr. Hunter.

Now, Mr. Ortiz.

Mr. ORTIZ. Thank you so much for joining us today. And we certainly appreciate your service to our country. You know, I am concerned. Now, to meet the current demands, the Army has significantly drawn from prepositioned stocks around the world. And as we know, these stocks are an integral part of the Army's ability to rapidly deploy and equip troops around the world for combat operations.

Decreased repositioned stocks and the declining readiness of non-deployment forces has significantly increased the strategic risk to

the United States. This concerns me on many levels. I am afraid the Army may not be able to respond to another contingency at home or abroad.

How does the fiscal year 2009 budget request support the Army's long-range replenishment of prepositioned stocks and reset of the force? Another question that bothers me now is why has the date to replenish prepositioned stocks slipped from 2013 to 2015.

And the statement you made, Chief, was that we don't want to grow the Army without being able to give the forces what they need. And this is the problem that we had in the past where they didn't have the training equipment to train before they went to Iraq. So maybe you can touch on my concerns about the prepositioned stock and how this long-range budget will fix some of these problems that we are very concerned with.

Secretary GEREN. Real quickly—and both of us will answer. But our prepositioned stock costs—we estimate it is around \$9 billion. We have in the supplemental in 2007 we put a little over \$2 billion in the reset for the prepositioned stocks. And you are right. We have moved it from 2013 to 2015. And it is just a question of competing priorities.

We are directing more of the resources to the immediate needs of the deploying forces and accepting some risk in the prepositioned stocks by moving it back 2 years. In a classified setting we would like to discuss with you the plan that we have. We feel that we are refilling them in a way that does minimize the risk associated with the length of time that it will take to refill them.

But it is about a \$9 billion bill, and we do plan to have it done by 2015. Much of it is coming out of the supplementals rather than out of the base budget.

General CASEY. Congressman, in the 2009 budget on prepositioned and reset, I think as the Secretary mentioned, most of the money for reset and prepo will be in the war on terror supplementals because there are things that have been consumed in the war effort.

The issue of strategic risk—what I have said is we are stretched by the current pace of deployments and we couldn't react as quickly as we had liked. But as I have also said, this is a hugely competent and combat-seasoned force. And we could change directions in an emergency if we had to. It would just take us longer.

Over time, we will gradually rebuild that capability so that we can both meet the current demands and have strategic flexibility to do other things. But that is going to take us another couple of years.

Mr. ORTIZ. Is one of the reasons why you have to expand the timeframe from, what was it, 2011 to 2015—is it because you are working with a budget-driven budget that you don't have the money to buy the equipment that is necessary? Or is it because it takes time to build the equipment to—

Secretary GEREN. It is a little bit of both. And the third element is we want to get the equipment into the units that need it as quickly as we can. So it is a combination of those three things.

Mr. ORTIZ. And this is my concern. Chief, you and I have talked about this. And we hope that we can do enough to help you, you know. And sometimes I wonder whether we are doing enough by

utilizing the depots. I know that at one time we made sure that they had surge room to expand so that they could work on some of the equipment at reset. Are we looking at the facilities where we might be able to be able to reset and rush this equipment so that they can be used by our military?

General CASEY. Mr. Secretary might want to add something to this. But, I mean, I visited some of the depots. I visited particularly Red River relatively recently. And while they are not at operating 24 hours a day, 7 days a week, they are operating at a very increased capacity and operating very efficiently.

Secretary GEREN. And when we have all the equipment coming back from the surge, we are going to see the demand on the depots is going to go up significantly this year.

Mr. ORTIZ. [OFF MIKE]

The CHAIRMAN. Mr. McHugh, please.

Mr. MCHUGH. [OFF MIKE]

The CHAIRMAN. Mr. Akin.

Mr. AKIN. Thank you, Mr. Chairman. I had a couple of questions on widely differing topics. The first one was I had a chance to go on a Congressional Delegation (CODEL) that was led by the gentlelady from California, the Tauscher district. And it was very interesting and informative.

One of the stops we made was to South Korea. And I met a gentle and retiring soul by the name of General Bell. And he had a few thoughts about the importance of South Korea and the strategic importance of our presence there.

One of the points he made was that the facilities there were very, very temporary, that we had a lot of families there, women that are pregnant, and there is no doctor. They have got to go a long way or a long trip to try to get to either Seoul or to get an OBGYN or something if they are pregnant. He was making the case that we needed to invest in a little bit more permanent sense in South Korea for many strategic reasons. What was your thinking on that? And is that included in your budget?

Secretary GEREN. I can't speak to the—

Mr. AKIN. Do you know what I am talking about, generally the concept of, you know, one, we look at it, the Korean War isn't quite done yet and when we finish, it will leave? The other concept is the idea of partnering with different nations. South Korea has been a very good partner. And maintaining that partnership may be very much in our strategic interest in terms of the overall Asian picture.

Secretary GEREN. Well, as you noted, General Bell is not shy about expressing his opinions. And he has been a very strong advocate for very assertive efforts in Korea to meet the needs of families, not only on the medical level, but housing and other issues. And I would have to get back to you for the record on the details of what we have in the budget for Korea.

But it obviously remains a high priority. The housing issue over there is one that we have spent a great deal of time working over the last six to eight months to try to address those issues. And General Bell has been back several times and met with us as we have tried to work through those issues. Because I can assure you that his concerns have been well-considered. And I would just have

to get back with you as far as the specifics of what is in the budget on that front.

[The information referred to was not available at the time of printing.]

Mr. AKIN. Thank you very much. Because he seemed to make a very compelling case from a strategic point of view totally aside from missile defense and the other things we were talking about.

The second question was what I am thinking—

General CASEY. I am sorry. If I could just add, I think he is executing a multi-billion dollar move to get us out of Seoul and below the Han River down to Camp Humphreys. And the Koreans are paying, I want to say, \$8 billion of that money.

Mr. AKIN. I think the Koreans are putting a lot of skin in the—

General CASEY. They really are.

Mr. AKIN. Yes.

General CASEY. And that will greatly improve the quality of life for our soldiers and families.

Mr. AKIN. Super. The second I had was what I am thinking of as the new Army, the network-equipped Army. You know, I sort of get tired of future combat systems and all.

The Secretary of Defense seemed to say I am wondering whether we can continue to afford that. I guess my sense was it is the main modernization program. And the thing that I have been encouraged by is that the money that we put in it before is really boring money. It is writing millions of lines of code and all this stuff that seems very esoteric.

Now this year we have gotten to the point we are actually going to have hardware that you can drive around and test, the soldiers can work with it. I just was encouraged to hear that you are open-minded to keeping that development side of what the Army is doing in making it the new Army.

So I certainly hope that we don't short-change that in terms of trying to meet all these other priorities. But I know there is huge tension. If you would like to comment further.

Secretary GEREN. Future combat systems—and as you noted, it is not the future really. It is the present. We have got technologies that are spinning out into the force today to help soldiers on the field. And many of the requests we get from theater for capabilities that ride into what future combat systems offers today and the spin-outs and certainly going to offer in the future.

As the chief emphasized in his earlier answer, the future combat systems is about full spectrum readiness for our Army. And it is our number one modernization priority.

Mr. AKIN. It is encouraging to hear you continue to support that. General.

General CASEY. And I would just add we have both spoken personally to the Secretary of Defense about his comments. And he supports the future combat system program.

Mr. AKIN. Okay. I have got a few questions from the press. I just wanted to make sure we are still all on the same page.

Thank you, General.

Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman from Mississippi, Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Secretary and General.

Mr. Secretary, I hope we will be hearing from you in the near future that you are going to favorably respond to making wounded warriors available for all the military academies for instructors and coaches. I also want to ask two quick questions for the record.

Since we train as we fight, what is your target date for having IED jammers available for stateside training for every soldier before they deploy to Iraq, Guard and Reserve? What is your target date for having mine resistant ambush protected vehicles (MRAPs) available for stateside training for every soldier, Guardsmen, and reservist before they deploy overseas? I would ask that for the record. And I will yield the remainder of my time to Mr. Murphy of Pennsylvania.

[The information referred to was not available at the time of printing.]

The CHAIRMAN. You are yielding your time to—

Mr. TAYLOR. I have asked my questions for the record.

The CHAIRMAN. All right.

Mr. TAYLOR. I will certainly stick around. I yield the remainder to Mr. Murphy.

The CHAIRMAN. All right. Thank you.

Mr. MURPHY. Gentlemen. Mr. Secretary and General, thank you for your continued service to our country. As you know, we appreciate it.

General Casey, you have always been a straight shooter to us, and we appreciate your candor. I am trying to read the teeniest little bit from your comments about when you say that the Army is out of balance and the fact that, you know, you said you wrestled hard to find the right words and that our Army is not hollow and it is not broken. And it is an Army I was part of for many years, and I am proud about my service and the armed forces. They are doing a great job.

And, Secretary Geren, you know, when your comments today, the fact that you said we are going to be stressed until the demand in the theater decreases and also that our Army is forced into these 12 and 15-month deployments and how through all time it is critical.

Gentlemen, my question is how could we get to where we need with our armed forces and especially our military if we are still bogged down refereeing a religious civil war in Iraq? And at the same time, when we talk about Al Qaeda and Osama bin Laden, who was responsible for killing 3,000 innocent Americans on 9/11 6 and-a-half years ago and we are begging, begging NATO for more troops, how could we accommodate that? How could we really find and put our Army back in the right balance when we are still—the majority of our forces, an overwhelming majority of our deployed forces are in Iraq?

General CASEY. Congressman, that is a great question. And I think it is an opportune time for me to address what I see happening here in the summer and in the spring. I think you know General Petraeus is returning in April to give his assessment of where to go beyond the 15 brigades he is already moving to draw down to in Iraq.

Mr. MURPHY. Can I just ask? But what happens if he comes back and says we need a pause and not draw down?

General CASEY. I understand. I think the important thing is first that he is on the way to 15 brigade combat teams in Iraq. And everything I have heard is he intends to get there.

If that happens, and I have every reason to expect that it will, then we will have the opportunity to reduce the deployments from 15 months to 12 months. And everything that we hear back from our soldiers and families tells us 15 months is too long. And we know that.

If he has to sustain 15 brigade combat teams for another period of time, a brief pause, as you say, that will not impact our ability to come off of 15 months. So the most important thing for us right now is to return to 12-month deployments. And our goal is to do that after we see what General Petraeus says here in April.

Our second goal then—and this is progressive—is to get back to increasing the amount of time that the soldiers spend at home, one, so that they can recover from the multiple deployments; and two, as it has been said, so they can begin training for other things. With just one year at home, they have to focus all their efforts on counterinsurgency training. When they get to about 18 months at home, they can begin training for full spectrum operations.

And so, you will see over time, over the next 3 or 4 years, assuming that a man stays at about 15 active brigades, the time they spend at home is going to gradually increase until by the end of 2011 we should be at about a 1 year out, 2 years back level.

Mr. MURPHY. And as a quick follow up, because we are begging for about 7,000 more troops in Afghanistan from our NATO allies to go after the people who hurt Americans, if we don't have that dwell time, which we don't have right now, should we mandate from the Congress some type of amendment where if you deploy for 12 months, you are home for 12 months or deploy for 15 months, you are home for 15 months or if you are a Marine, 7 and 7?

General CASEY. Congressman, as you just heard me say, it is our absolute goal, not only to get back to one to one, but to go beyond it. And I would just tell you that any additional requirements on us just makes our job of managing the force that much more complicated. And I would ask you that you not do that.

Mr. MURPHY. Thank you.

The CHAIRMAN. I thank the gentleman.

Let me reiterate an announcement earlier. I intend to call on members in reverse order on the day of the U.S. Pacific Command (PACOM) hearing, which will be the 12th of next month. We are now experiencing three votes right now. And these are supposed to be the last votes of the day. We will continue for a few moments, and then we will adjourn briefly while we get those three votes. And we will return for the Secretary and General Casey.

Mr. Forbes of Virginia.

Mr. FORBES. Thank you, Mr. Chairman.

And thank you, Mr. Secretary and General, for being here and for your tremendous service to our country. Words do matter, and we hear a lot of the words that talk about balance, words that talk about broken.

Different people spin them in different directions. But I know that we have had testimony before this committee as recently as the last several weeks that kind of bring it down to a picture so

average Americans can at least understand the state of where our Army is now.

And one of our witnesses phrased it this way. And I am just asking you if she was correct. But she said that she had just gotten back from Iraq and having spent time with the forces there and that in her assessment our force today was the most “experienced, adaptive, professional, capable force that we had ever fielded.” Do you concur with that assessment that she rendered in this hearing room a few weeks ago?

Secretary GEREN. I certainly concur. But General Casey has 60 years of experience, almost 60 years as a member of the United States Army, either as a soldier or as a family member. And I think he can really put it in a historical perspective for us.

Mr. FORBES. General.

General CASEY. In my 37 years in active duty I have never seen a better force. And those words are exactly how I would characterize it.

Mr. FORBES. And, General, we obviously know the experienced part of it. But I just want to focus on the words the adaptive, professional, and capable. You would also concur that the force that we have now, the Army that we have today—it would be accurate to say it is the most adaptive, professional, and capable Army that we have ever fielded. Is that not accurate?

General CASEY. That I have seen in 37 years. And I think I would say you are accurate.

Mr. FORBES. Okay.

General CASEY. Let me just, if I could. I was up in Alaska talking to a group of sergeants and specialists last week. And they asked me, you know, was I concerned about our ability to change and do something else. And so, I turned the question around and I asked them.

I said how long do you think it would take you if your unit was told today to get ready for major combat operations. And they kind of looked at each other and said a couple of weeks. And that is the kind of force that it is.

Mr. FORBES. I think that is important that we need to know because this is a force—and we went through, and I asked her the specific questions I just asked you. And then I said then that means more adaptive, more professional, more capable than last year, than the year before that, than the year before that, than the year before that.

And we moved back to 2000 and then 1999 and every single answer was the same one, yes, it is more adaptive, more professional, more capable than ever before in history. And if it is the most adaptive, professional, and capable that we have ever fielded, it is the most adaptive, professional, and capable the world has ever fielded.

And I want to shift just a moment and, Mr. Secretary, ask you a quick question on base realignment and closure (BRAC) because I know that you have faced some delays and shortfalls in the execution of funding for BRAC 2005 and the most recent of which occurred when we had cuts of about \$1.1 billion from the level we authorized in our committee in the fiscal year 2008 omnibus. And my question for you is your perspective on what impact in terms of cost

and delays, the reductions in fiscal year 2008 funds have on your execution of the BRAC round.

And is it going to impact any of our first moved projects if that funding hasn't come through? And then when do you need the remaining fiscal year 2008 funding we have discussed to be comfortable that you can complete BRAC by September of 2011?

Secretary GEREN. At the present time, we are still capable of meeting the legal requirements, September of 2011. But the over \$1 billion was not appropriated last year for all the military. Our piece of that was about \$560 million, \$570 million, by our estimate. And if we don't get that money soon, it is going to be a real problem for us.

Since BRAC 2005 we have been able to manage all of the delays and some of the changes in scope. But this latest delay of this \$560 million is posing a real problem for us. It is a very synchronized effort or needs to be synchronized with the military construction, the BRAC construction, moving families around. It is just an extraordinarily complex effort. And over 300,000 people will end up having moved at the end of all this.

And this latest delay causes us great concern. You all authorized the level that we needed, but it was not appropriated. And we need this \$560 million soon. We do. It is causing a problem.

Mr. FORBES. Good.

Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. Thank you very much. We will ask Mr. Reyes to make his inquiry, and then after that, we will break for the three votes. And we will return promptly after the three votes.

Mr. Reyes.

Mr. REYES. Thank you, Mr. Chairman.

Mr. Secretary and General, welcome and thank you for being here. And I also want to thank you for coming to Fort Bliss and taking time to thank our troops. In fact, just yesterday we had a community parade for the 401 Cavalry that just returned from Iraq to thank them.

Secretary GEREN. Great.

Mr. REYES. It was a very emotional start to the parade to have 31 horses, riderless horses to commemorate the 31 that they lost on their deployment.

But before I ask the question, I wanted to first say that I am very concerned and disappointed that the Army is proposing a cut to the Terminal High Altitude Area Defense (THAAD) system. I know I have discussed it with you previously because field commanders are telling us this is a capability that they need and they need now. I am concerned because we shouldn't be cutting back on a system that is so important and vital in the threats that they face today. We are working to restore that funding in Congress, but I just wanted to again express my concern.

On the plus side, I am glad that the Army has reversed course on the land warrior program for striker combat vehicles. And I hope the Army will give the same second look to other combat weapons programs like the attack ums program. You know, some of these programs have been eliminated solely to balance the books. And I know the Army is stressed and looking for funds. But these

are weapons that are being used in Iraq and Afghanistan. And I don't think we can afford to cut them.

What I did want to ask you in particular, General Casey—since you and I were out with the troops last week looking at the future combat systems, and I know there are a number of questions on the capabilities, number one; number two, what is ready to be rolled out and be deployed, particularly in places like Iraq and Afghanistan, I wanted to get your perspective of your visit to Fort Bliss and actually talking to the combat veterans as you and I listened to them as they demonstrated some of the capabilities of the future combat systems. And I wanted to get your perspective on the record of what you think are the most important aspects of the future combat systems that can be transferred today to the efforts in Iraq and Afghanistan.

General CASEY. Thank you very much, Congressman. You know, as I told some of the soldiers there, the thing that I was most impressed with was the effect of putting this new equipment in the hands of soldiers, as you say, combat veterans. And so, we are getting a very good look at it.

And I had the opportunity as a colonel to test the M-1A2 tank. And we did the same thing. About a year early we put the system in the hands of soldiers. And it was a better system as a result of that.

And I think what we are going to see is these elements of the future combat system—this is just the first increment—but will be better and will get them into the field faster as a result of putting them in the hands of these soldiers. Now, you know what was out there. But beyond that small, unmanned aerial vehicle—that is already in Iraq. And I think that is something that will be very, very useful to get into Iraq.

The unattended ground sensors are already in Iraq. And that is also a good thing. The robot that we saw going into that building is also already in Iraq. And as the more we test, the more the soldiers use them, the more we learn and the better the next generations will be. And so, those are, I think, the three main things that I think are pretty close to being ready.

Mr. REYES. The only other comment that I will make is that as we continue on the road with future combat systems, I hope that we also focus on force protection equipment for soldiers because we know that the enemy is very adaptive. And as technology changes and they adapt to it, one of the things that has been brought to my attention has been the armored vests.

We want to be careful not to sole source that because that prevents competition. And that is a concern that was raised to me.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much. We will break now for the three votes. When we return, I have Mr. Miller and Dr. Snyder up.

[Recess.]

The CHAIRMAN. Our hearing will resume. The three votes interrupted the hearing. And some of our members will be returning shortly. So we will proceed and call on the gentleman from North Carolina, Mr. Hayes, to continue the questioning of our witnesses, Secretary Geren and General Casey.

Mr. Hayes.

Mr. HAYES. Thank you, Mr. Chairman.

General Casey, there is a memo—I think you have a copy of it—that clearly outlines the relationship between the Army and the Air Force on joint cargo aircraft. The Air Force has had some memory loss here lately. Would you re-outline for the public the understanding that we do have the aircraft and that is the right thing to do?

General CASEY. I will, Senator. And, Chairman, we sent a copy of this to you, I think, yesterday. I don't know if you have seen it yet. But General Moseley and I have both signed this letter. And the first sentence is the U.S. Air Force and the U.S. Army—

The CHAIRMAN. Just a minute. Just a minute. We have a provision in last year's bill for roles and missions. That is where this ought to be. That is where this discussion ought to take place. We would love to have it here, but that was one of the purposes of our having a roles and missions review within the Pentagon. That is where this ought to be, General. And please proceed.

General CASEY. I agree. I will just read that first sentence. The U.S. Air Force and the U.S. Army stand together in support of the joint cargo aircraft.

General Moseley and I have met twice already on roles and missions, once with just myself, General Moseley, his Air Combat Command Commander, and my Training and Doctrine Command Commander. We spent about four hours down at Fort Monroe talking about these kind of issues about unmanned aerial vehicle issues, the kinds of things I think you would expect us to be getting into.

We then had the first Army and Air Force staff talks in five years where we put the Army staff and the Air Force staff together, again hitting this same issue.

The CHAIRMAN. Excuse me for interrupting you. But what you and the Air Force wanted us to do in last year's bill was to do roles and missions within this Congress. And I don't think we should be doing it. You should be doing it. I applaud you on your efforts. But don't forget the Marines and the Navy when you have your discussions. Go ahead.

General CASEY. And I couldn't agree more. And we actually already had the first Marine Corps staff talks in four years. And we are on tap for the Navy.

But exactly your point. This is stuff that we should be working. And my only point to you is that we are working it. We are in full support of the joint cargo aircraft. It is something both of us feel is necessary. And we just need to get on with the program.

Mr. HAYES. The agreement has already been made. Let us get on with it.

Secretary Geren, thank you both for being here. Impact aid—vitally important going forward with BRAC. And please keep that on your radar screen, particularly at the epicenter of the universe, Fort Bragg and wherever else it is relevant. Again, thank you.

Mr. Chairman, I yield back.

The CHAIRMAN. Thank you.

Ms. Davis.

Mrs. DAVIS OF CALIFORNIA. Thank you, Mr. Chairman.

And, Secretary Geren and General Casey, thank you very much for your extraordinary service.

I wanted to just thank you again for the focus, I think, in your initial remarks on family. We need to do that. I don't think we are there yet, quite frankly, and we hear repeatedly the needs of childcare, a focus on that and certainly family services, particularly health care, major, major issues for the men and women who are serving.

And that is going to make a difference, we know, in terms of retention. I just wanted to say that we need to keep working on that, I think, in a very concerted way.

But I wanted to follow up briefly on supplemental funding for recruiting. We touched on that in the personnel hearing this week. The Army has already planned an additional \$938 million in emergency supplemental funding during fiscal year 2008 to support the active duty recruiting program. And that is about a 70 percent increase in the amount budgeted for recruiting during fiscal year 2008.

It seems that of all the programs that could be defended as war-related, why would the Army select recruiting programs to be funded from supplementals? It seems certainly short-sighted because of the planning needed to execute that in a reasonable fashion. Why not pick another account, additional equipment or supplies that would be a better option for supplemental funding? Why do we focus on recruiting?

I know in the hearing they mentioned perhaps by 2010 we will be bringing recruiting out of the supplemental into the base budget. And it was suggested that we were deferring that to the next administration. Why can't we move that in earlier? Isn't that a high priority?

Secretary GEREN. Well, it is a high priority. And we have seen the cost of recruiting go up a great deal over the last several years. And the argument for putting it in the supplemental or at least the increased costs—we have never had to sustain an all-volunteer force with volunteer recruits through a long war as we have now.

Many of the changes you can attribute to the war. But we have seen the propensity to enlist has gone down significantly. The influencers, parents, teachers, coaches—their propensity to encourage a young person to enlist has gone down as well. And the costs of recruiting in the midst of this war are higher than they would be were it not for the war.

But recruiting will be one of several issues that are obviously enduring that we are going to have to work and start working them back into the base budget. I do think, though, that there is a surplus there that you could attribute to sustaining a successful recruiting effort in the middle of this war. And the polling suggests that we do have a bigger challenge in the middle of this war than we do at other times.

Mrs. DAVIS OF CALIFORNIA. I don't think anybody would question the challenge. I think our concern is that it is an ongoing concern, not likely to change. We have a greater end strength, so certainly, recruitment is going to have to go up under any circumstances. And I think we would just like to say once again that we would like to see that more realistically and in some ways, more honestly

put into the base budget because it better reflects where we are today.

If I could just go on and mention one other area. And I was actually very pleased to see in the field manual the focus that would elevate mobility and civil support operations.

And I think that we have been talking about interagency coordination, how critical it is for men and women who serve our country to be prepared in that way, but that it is not just a military function, that we need to pick up that effort across other jurisdictions. And that reflects that. But I am also wondering whether you believe that your budget reflects the needs that we have in that regard.

Another question really is whether we are planning to capture the skills and the experience of the men and women who have served in those civil support capacities. Are we going to be able to retain them. Can we use them as instructors? Can they teach others? How are we going to do this?

Because it is great to say that, but if we are not planning for that future, I am afraid that we are going to lose really the capabilities that have been established and well that we have had to learn, you know, in a really tough way for how we are going to win future wars and future conflicts.

General CASEY. And I think as has been said earlier, this is a combat-seasoned, experienced force. And you are absolutely right. One of the things that makes it the magnificent Army that it is are non-commissioned officers and our captains and our majors who have had the experience in these environments.

And we are working very hard as they come back from these experiences to put them into schools, recruiting command, those other places where they can begin sharing that experience with others. And as we talked about the recruiting and retention initiatives, it is critical to keep those folks with us. And I think you know that we have just done some things with captains' bonuses.

Mrs. DAVIS OF CALIFORNIA. Are you confident that the budget reflects that, that it shows that priority that we have to do that? Are you going to be able to do what is really required to bring them into those areas?

General CASEY. I believe between the base budget, which has about, I believe, about \$2.5 billion for recruiting and retention is in it. So, I mean, they are not all, by any stretch of the imagination, in the supplemental. It is actually the first priority for us to work.

The other thing I would tell you—you mentioned the manual, but it mentions families in here, I think which is also a first.

Mrs. DAVIS OF CALIFORNIA. Great. Thank you very much.

General CASEY. Thank you.

The CHAIRMAN. Thank the gentlelady.

Mr. Franks, to be followed by Dr. Snyder.

Mr. Franks.

Mr. FRANKS. Well, thank you, Mr. Chairman.

And once again, thank all of you here for being here. General Casey and Secretary Geren, I know that you folks have given so much of your life to this cause of human freedom. And it is because

of you that people like me get to sit back here and ask questions. And I appreciate it.

I heard General Casey on a number of occasions. And ironically today I think both from you—certainly, from you, Secretary Geren, that you want to avoid any appearance of a hollow force or certainly, any reality of a hollow force. And I couldn't agree with you more.

Oftentimes, our opponents study our system that is so transparent, you know, we can sometimes be victims of our own openness. And they study our system, and if they get the sense that our force is not what it can be, I think that that is a potential weakness that is provocative.

And with that said, I want to echo the sentiments of the ranking member related to the 4 percent of GDP for defense spending. I think if our opponents across the world knew that this was a commitment on the part of the American people that they would take that into their calculus and that it would be something that would actually, not only stabilize the military, but perhaps stabilize the geopolitical dynamics in the world to a degree and give you guys a chance to plan.

And when this war is over, as I hope and pray it will be, that the people don't come and say, well, now is the time to cut the force. At that point, you may be needing to do resets. And it is important, I believe, for you to have a foundational something that you can count on to plan and to build this military into, again, all that it can and should be.

I don't want to be a commentator here. Let me just ask you specifically. You indicated in your written statement, General Casey, that the future combat systems are the core of your modernization effort. And looking down the road, future combat system spin-outs will require communications on the move capability for brigade combat teams.

And this com on the move capability is a feature of the Air Force's planned transformational satellite communications constellation. And as I am sure you know, in fiscal year 2007, transformational satellite (TSAT) experienced major congressional funding cuts that deferred its planned deployment. And the fiscal year 2009 budget requests a \$4 billion reduction by the Office of the Secretary of Defense from the future year's defense plan.

And I guess my question is are you going to be forced to make unfavorable changes to the future combat systems program to defer deployment of spin-outs of TSAT if TSAT continues to suffer schedule slips. How is it going to affect you? Is it going to make you change your program?

General CASEY. Right now I don't see the slips impacting us. However, the future combat system is not just reliant on that one system. We have terrestrial systems, unmanned repeaters, and helicopter repeaters as well as the satellite part of it. So we are not wholly reliant on that.

And we are very carefully monitoring the risk associated with all of the communications architecture, particularly jitters and Warfighter Information Network-Tactical (WIN-T) because, as you suggest, those are very important to our ability to establish this network to support the soldiers.

Mr. FRANKS. I am sure the Air Force has some ability to supplant or at least complement any holes there might be because of a slow-down in the TSATs. Are you set up to work for the Air Force in that regard if that comes to a necessity?

General CASEY. Absolutely. In fact, as I mentioned to the chairman, General Moseley and I have already had several sessions talking about the full range of Army and Air Force interaction and initiatives. And so, there is good cooperation between both services right now on the whole range of issues.

Mr. FRANKS. Well, let me just throw one last quick one at both of you here. My time is about gone. But if there was one thing that you could ask this committee to do that we are not already doing, that is not already in the process, one priority that you feel is important that we are missing somehow, what would that be? And I will direct that to the Secretary first and then perhaps General Casey can take it up.

Secretary GEREN. Well, we are here to ask you to support this budget obviously. But just in line with what you said at the beginning of your remarks, I was here, I was in the Congress from 1989 to 1997. And it was during a period of time where we in some ways, I guess, let hope triumph experience. And we saw a major drawdown in our military and significant cutbacks in procurement.

One of the most important things for the military is to have a predictable, sustainable level of funding. And rapid changes up and down are very hard for an organization like this. Programs like the future combat system—those are multi-decade programs. And as I anticipate the future and look at how hard it is to bring new weapon systems on and how many years it takes, one of the biggest challenges for the military is to be able to accommodate the ebbs and flows of funding.

And we need to do a better job as a country of having a sustainable level of funding for the military through peace times and through war times. And I think that will be one of our biggest challenges.

The CHAIRMAN. Ditto. Thank the gentleman.

The gentleman from Arkansas, Dr. Snyder.

Dr. SNYDER. Thank you, Mr. Chairman.

Thank you, gentlemen, for being here.

General Casey, I think I will direct my three quick questions to you. This whole issue of funding has been all through this discussion today. But on page 19 of you all's written statement you talk about timely and full funding of the Army's fiscal year 2009 request of \$140.7 billion will ensure the Army is ready to meet the needs of the Nation and continue the process of putting us back in balance.

Then you go on to say, however, it is important to note that over the last six years, the Army has received an increasing proportion of its funding through supplemental and GWOT appropriations. And that is the end of that quote.

My question is, as Secretary Geren just said, you all are here to support the budget. I assume that you would not turn money away if, in fact, this committee and this Congress were to say instead of \$140.7 billion we think that we ought to do a higher number. Is that a fair statement?

General CASEY. Congressman, you know, depending what for. I mean, if you are talking about moving some things that are in the supplemental already into the base program.

Dr. SNYDER. I am talking about increasing the baseline budget, which I think is the point of that paragraph there, that you—I assume that your preference is that, in fact, that your baseline budget number for this coming fiscal year be higher than the one in the budget that is being proposed. Is that a fair statement?

General CASEY. I don't think there is any question, Senator, there are things in the supplemental that have to migrate back into our base program if we are to sustain the levels of readiness and to put ourselves back in balance.

Dr. SNYDER. Right, right. Then my second question is, General Casey, I assume, given that you have given us this list of things—and there are certainly a lot of needs out there—that you will not be opposed and will not refuse congressional adds, inserts, earmarks if they are consistent with the things that you need.

General CASEY. Congressman——

Dr. SNYDER. I mean, because this is going to be the game that is going to be played, you know.

General CASEY. Yes.

Dr. SNYDER. We will add things to this budget because a lot of us think it is unsatisfactory and we are going to get beat up on it from now until election day because we are the party of earmarks. That is what is going to happen.

General CASEY. Yes, yes.

Dr. SNYDER. So I just need you to say will you be supportive of those earmarks that are consistent with what you think the Army needs.

General CASEY. Congressman, we are here to support this budget and ask for your support on the 2008 g-wide GY request and on the 2009 GY request that will accompany this.

The CHAIRMAN. Excuse me, General.

Dr. SNYDER. So you don't want any additional——

The CHAIRMAN. Just a minute, Vic.

Dr. SNYDER. Yes.

The CHAIRMAN. You are not answering his question.

General CASEY. Yes, I am——

The CHAIRMAN. Please why don't you restate your question? This is really important. This is what we do in Congress.

Dr. SNYDER. If I were to submit a letter to this committee taking your unfunded requirements list and—I don't know how many things you have on there, 20 or 30—and submit each letter saying please add, Mr. Skelton, to this year's budget, these following items as requested by General Casey, that is going to be labeled as an earmark in the public discussion.

So my question is are you going to defend those of us who will add, who will take the heat for adding earmarks when we start getting bashed by the President and others that somehow we are the Congress of earmarks? It is a pretty straightforward question. Are you going to stand up for those of us who will ask for some of these items?

General CASEY. And, Congressman, I certainly—I think we all—appreciate the support that this Congress and this committee have provided us.

Dr. SNYDER. Well——

General CASEY. And again, we have given our requirements through the Department to Congress in the form of the base program and the supplementals. And if you are to move things around within those programs, you know, there is not much we can do about it. We think about these programs long and hard.

Dr. SNYDER. Well, I assume you do. That is why some of us will be willing to support things on your unfunded requirements list. But the tone right now is that you really don't want us to do that this year. That is an unfortunate comment because I don't think that is what we really ought to be about.

General CASEY. As I said——

Dr. SNYDER. I wanted to ask——

General CASEY. I am not about declining support, obviously. But we have stated our requirements. They are in the program request. And how you distribute those monies, I think, is something for the committee to decide.

Dr. SNYDER. Let me ask another quick question. As you and the Air Force are moving ahead on the joint cargo aircraft, I had assumed that because the capacity of this plane for carrying cargo was substantially less than a short version of the C-130J that there would be a substantial savings. Now, I know that we apparently have made the decision to move ahead but don't yet know exactly what the cost is going to be.

If it comes back that that cost is getting awfully close to the short version of the J model, are you going to be—you and the Air Force going to open up this discussion in terms of whether that is the best route to go, given that you can carry a lot more with a short version of the J model than you can with the joint cargo aircraft, as the post?

General CASEY. I certainly think that both of us will look at that if that occurs.

Dr. SNYDER. Yes. Thank you.

The CHAIRMAN. General, I had an earmark last year for a brand new chapel at Fort Leonard Wood, Missouri. And I would hope that a comparable earmark in the days ahead would be supported by the Army because it was much needed. And you folks never put it on the list, although it was on the someday list, which never came to pass, and so I did it.

And that is the type of thing of which Dr. Snyder refers. We would like and expect support from the Army on these items such as that and some, of course, far more training or operational-oriented.

Mr. Wilson.

Mr. WILSON. Thank you, Mr. Chairman.

And, General, Mr. Secretary, thank you very much for being here today. I particularly am enjoying looking out and seeing the green. I served 31 years in the Guard and Reserve. I am very grateful I had three sons who serve in the Army Guard.

A preliminary question I have—Congressman Forbes has already brought this up. But that we have the best military in the history

of the world. And you verified that. As a parent, we also need verification that we have the best-equipped military in the world. Is that your opinion?

Secretary GEREN. Certainly.

General CASEY. I fully agree.

Mr. WILSON. Thank you.

General CASEY. And it is constantly updated with input from the theater.

Mr. WILSON. And I know firsthand. In summer of 2007, our brigade went to Fort Irwin for desert warfare training. I would say this respectfully that all of the equipment that we had at that time is now in a museum. And it has been superceded by multiple generations of the best equipment that is conceivable and the best technology. And I really have been proud of the military.

I want to thank you, Mr. Secretary, for pointing out about visiting with the troops. The highest honor I have had serving in Congress is to visit with our troops. I visited in Iraq eight times. I have had two sons serve in Iraq.

I particularly want to thank General Casey. One of my sons served under you. And I knew that we just had the best personnel there to watch out for our troops and lead our troops.

Additionally, I have been to Afghanistan five times. And I want to report that my National Guard unit is there, the 218th Brigade, led by General Bob Livingston. They are training the Afghan Police and Army. I visited with them three times. Soon I will be visiting again.

And each time I go, the people of South Carolina are so proud to have the largest deployment since World War II, 1,600 troops. And it is because of your leadership and the efforts that they are making protecting our country.

As pleased as I am, I am concerned, though, on the National Guard Operation and Maintenance (O&M) budget, \$5.88 billion that it is actually because of costs and price changes a decrease of \$19 million. Our state is vitally interested. The Guard has been so effective and so helpful in preparing for hurricanes and recovery. Is the budget sufficient for our Guards to be able to perform their stateside mission?

Secretary GEREN. Budgets are choices. And it is set authorities. And a lot of hard choices have to go into assembling a budget. But when you look at the resources that we have dedicated to the Guard as an Army, we believe that this budget represents the right levels of funding.

You look at the Guard equipping. Over the next 24 months, you are going to see \$17 billion worth of equipment flow to the Guard. We started with a deep hole when it came to the Guard. It had been underfunded for a very long time. And over the last few years we have made progress in digging out of that hole. But we aren't where we want to be.

On the issues such as hurricanes, the type of domestic crises that we certainly have to be able to anticipate in addition to the funding that goes directly into the Guard, we have got state compacts, as you know, where we try to bring the—marshal the resources of the region to meet those needs. And anticipating this hurricane season, all the hurricane states, as does yours, participate in an effort to

identify resources. And where there are equipment shortages, the active component generates those equipment shortages to try to meet those needs.

But we aren't where we want to be. But we are moving further along. And this budget moves us in the right direction. And I am pleased that we have been able to make progress in better funding all three components to meet all of their needs. But it is a work in progress.

General CASEY. I don't have anything to add on the budget. But I will just say I visited a Guard brigade down in Camp Shelby, Mississippi last week, 39th Brigade Combat Team. And the combat seasoning—you can see it in the Guard forces that I visited. And when I say the Army is better, the best I have seen, it is the whole Army. It is not just the active force. It is the guard and reserve as well.

Mr. WILSON. And thank you indeed. I had training many years ago at Camp Shelby. And our 218th was trained at Shelby prior to leaving for Afghanistan. And the training is just unparalleled. And I just want to assure parents and family members that we have the best-equipped troops in the world, the availability of equipment, the best technology, extraordinary UAV capability. But that is not necessarily the message people hear. Thank you very much.

The CHAIRMAN. The gentleman from Pennsylvania, Mr. Sestak.

Mr. SESTAK. Thank you, Mr. Chairman.

General, you probably know we don't have problems with earmarks for chapels in the Navy. We just don't put chapels on ships. But if you don't mind, my question, if I could take another bite at the apple that Mr. Murphy and the congressman have done, I have no question—and when someone said over here, the gentleman here said weakness could be provocative. I don't think there is any questions in anybody's mind that we have the best military in the world, best equipment.

I think the question we are really asking is but can they do what is required. Pacific commander last year before the surge began said when asked that there is no Army unit that can deploy like our plan 5027 to defend South Korea, no Army unit. You even said here in your testimony or it has been reported that Army units that go to Iraq receive their equipment just before they go, a lot of it.

So they can't do what is required. And so, the Pacific commander says the Navy and the Air Force we are relying upon to back them up. And why did we need those divisions in 5027 all this time if it is no longer required?

We are short 2,800 troops to what the International Security Assistant Force has asked us to train U.S. troops, U.S. troops to train in Afghanistan the police and the army there, not just what the North Atlantic Treaty Organization (NATO) is short, us. So we can't do what is required there.

Our prepo that we want to rely upon for Korea and other places is not there. It is used elsewhere. And the training—we don't even train them for Korea or other places anymore.

So my issue here is not that they are not the best, but can they meet the timelines as of four years and five years ago of all our op plans.

General CASEY. And the answer, Congressman, as I said in my opening statement is we can't do things as rapidly as we know we need to do this.

Mr. SESTAK. And that is the question that is being asked. The concern with Iraq is when do we make the judgment that our overall security is harmed by continuing the present strategy. Now we are in another suspension. What if South Korea happens and 27,000 troops have no Army backup nor the prepo to go?

So if I could, that is the real question I think people should be asking more. It is not about Iraq security. It is about America's security. So my second question is, if I could, because I only have five minutes, General. I don't mind if I could come back. I have only got five. And sometimes he takes an extra minute away from freshmen.

But my second question is last year we had more Army procurement in the emergency supplemental bill than we did in the regular bill, the base bill. Would you agree we are doing counterinsurgency pretty well in Iraq?

General CASEY. I would.

Mr. SESTAK. And General Curdy says we are the best counterinsurgency in the world. I agree we need Future Combat Systems (FCS). We are replacing armor to protect our individuals with a network and self-protection like the Armored Gun System (AGS) to protect our troops.

But if we are doing counterinsurgency well and that is what you are transforming to do more of on the core mission, why do we need FCS if we are doing it so well and it is becoming the core mission? I understand that we probably would have done the Battle of Peach Orchard a lot differently and not been surprised by those three Iraqi brigades at the beginning of the war if we had it for force on force.

We are only doing 15 brigade combat teams now or 15 heavy ones. What about the other 22 heavy ones? And we are not going to have the first 15 for 15 years.

I don't see anything in your budget to upgrade all those other ones for their strikers, their Abrams, et cetera, which gets to the communications question over here, jitters for FCS for those 15. And all the other technology in FCS will demand more band width than is used by the entire ground Army today.

So my question is what are we doing here. We are changing our mission. We are doing it fine with equipment we have.

I understand FCS is good for heavy brigades, and we are only doing 15 out of the 22. We are about to have an Army where we have more procurement in the emergency supplemental bill. The war should end at some time. Are we expected then to double our procurement to only do 15 brigades for FCS? Have we really thought this issue through, General?

General CASEY. Well, I don't know exactly where to start here, Congressman.

Mr. SESTAK. [OFF MIKE]

General CASEY. Let me go back to—

Mr. SESTAK. I am complexed by these different things.

General CASEY. Yes. Well, let me go back to the 5027 issues. First of all, there is a 600,000 man South Korean Army that is very, very competent. And when you talk to General Bell, he will tell you that.

And they are backed up by a reserve of about the same size. And they are also backed up by elements of the United States Air Force and the United States Navy, as you mentioned.

Our prepositioned stocks in Korea are still in place. We have not used those.

Mr. SESTAK. I am talking about the Army Prepositioned Stock (APS).

General CASEY. That is what I am talking about.

Mr. SESTAK. The float ones.

General CASEY. For Korea.

Mr. SESTAK. The float ones are not the Korean—

General CASEY. And I don't want to get in beyond—

Mr. SESTAK. But would you agree with me that all the equipment for Korea is not there in the prepo, wherever it comes from?

General CASEY. It is pretty close. It is pretty close for that particular mission. And I can talk to you offline here about the specifics.

Mr. SESTAK. May I ask one more question? If we are okay with those 600,000, once Iraq is over, is there no longer a requirement for the Army to deploy there as a backup force?

General CASEY. I mean, that is a discussion that is a policy discussion. And whether—

Mr. SESTAK. I mean, if it is okay today—

General CASEY [continuing]. It is suitable for the country to have a force on the Asian mainland is something to be discussed at the policy level.

Mr. SESTAK. But we don't need anything to deploy to back them up if we are okay today?

General CASEY. No, no, that is not the case at all. I mean, there are, as you know, in the plans there are other requirements to deploy, forces. But they are not nearly as significant as they were in the past because of this competent South Korean force that is there.

On your questions about the counterinsurgency and the future combat system, this talks about full spectrum operations. And we need a capability that can be successful at major conventional war as well as counterinsurgency. And future combat system allows us better than any other system that we have in the Army to meet those requirements.

And it is indeed a full spectrum system that is as capable in major conventional operations as it is in supporting counterinsurgency operations. And we don't have all the tools of that system in Iraq and Afghanistan now. And the more we get them there, the better we will become, even if we are doing fairly well now.

The CHAIRMAN. I thank the gentleman.

Mr. Jones from North Carolina.

Mr. JONES. Mr. Chairman, thank you very much.

And, General Casey and Mr. Secretary, it is a pleasure to see you both. And you have my utmost respect for the jobs that you are doing.

General Casey, last night driving home—I guess I am addicted to Congress and all the hearings—I was listening to your presentation on the Senate side. And it brought to mind my question. And I am going to make a few comments and then get to the question.

Secretary Geren was talking about the ebb and flow. Well, you know, our nation is in deep financial trouble. We are borrowing money from China like it is going out of style. They say we owe China \$440 billion. I verified that with the U.S. Treasury recently.

We have spent probably \$600 billion to \$700 billion in Iraq. That is not your decision. You are following your Commander in Chief. And I mean that sincerely, and I respect that.

The cost now is running at about \$8 billion to \$9 billion a month, 4,000 killed, 28,000 to 30,000 wounded, victory after victory by the military. Saddam has been deposed and is deceased. Iraqis have a government. They had elections. The military is giving and won so many victories that we should have parade after parade for them, quite frankly.

Yet we know we are in a situation in Afghanistan that now we have got to call on the Marine Corps and the Army to step it up. And most of these people have done three, four, and five tours, both Army and Marine Corps.

Because of the statement I heard you, last night, when you were saying that, you know, victory in Iraq, I think we have already had victory. My question is will you give me your definition of victory for Iraq.

What would you say to the American people that when this happens, then we have won, it is over, it is time to draw down the military? Would you give me your definition as to what you would explain to the American people that when this happens, the game is over, we have won?

General CASEY. Yes, I mean, that is more a question for General Petraeus than it is for me. He is the one that is going to decide what that looks like.

Mr. JONES. All right. Well, since the cameras are not here and the press is not here, General Casey to Congressman Jones and nobody is going to quote you, but, General, there has got to be your opinion. And again, I am very sincere about this.

Because you know what? Quite frankly, all the questions you have had about the budget and Mr. Geren has spoken to it as well, you cannot continue to bleed the country, not you personally, not the military. They have done everything they can do.

But we are in such a financial state that Uncle China is lending Uncle Sam money to fight the wars. This is not going to last very long. So please, if you would, give me an idea of what you think I could look for as a taxpayer to feel like we have won in Iraq, it is time now to significantly downsize the number of American troops, and we have won, we can declare victory.

I think we could have declared victory four years ago, quite frankly. But that didn't happen. Please give me your opinion.

General CASEY. I will give you my opinion, and it is not something you probably haven't heard before. But I believe that we are

working toward and need to get our presence down to a level that is acceptable both to us and to the Iraqis.

Mr. JONES. Would you tell me what that level is? Sorry.

General CASEY. And to do that, Iraqi Security Forces have to develop to the point where they can maintain domestic order and deny Iraq as a safe haven for terror. Now, when that will be is a subject for the commanders on the ground. And that is what we have been working toward, certainly, since I was there and I think probably before that.

Now, when that will be I think is a subject for General Petraeus when he returns here in April. But that is what you asked my opinion of what success will look like. That is what I believe it looks like.

Mr. JONES. I appreciate that. And I know, again, you are following the orders of the Commander in Chief. The problem is I knew this four or five years ago, that I would get the true answer, which you gave me the true answer. But the problem is it is the same thing year after year, year after year. And this country cannot continue to wait 10 and 15 years and 100 years for the Iraqis to take on this responsibility.

I had General Zinni to tell me—I respect him as I respect you. General Zinni told me that it is time for the Iraqis to walk the streets of Baghdad, not the American soldier or the American Marine. I hope that it happens sooner rather than later because this country is going to be financially broke.

Thank you.

General CASEY. Thank you, Congressman.

The CHAIRMAN. The gentleman from Mississippi, Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Chairman.

Mr. Secretary and General, thank you very much for sticking around this long. And I regret that so many of our colleagues had to do other things.

If you have had time to think about my previous question as to when do you—have you set a target date for trying to get improvised explosive device (IED) jammers to stateside training so that the troops see them stateside, they train with them stateside before they ever go to the theater. Have you set a target date?

And again, I realize we are living hand-to-mouth on delivering these devices to the field. Have you set a date when you have a target date when the troops will train with MRAPs stateside before they get to the theater?

Secretary Geren, you and I go back a long ways. And so, I think it is fair to say for 18 years we have been told by the military experts that we train as we fight. These are two key ingredients to the fight in Iraq. And yet for most troops, they never see them until that equipment shows up in Iraq. So that is obviously we are not training as we fight.

And I think one of the ways that I as a Member of Congress who helps come up with the money for these things—one of the ways I am going to know that we are there as far as supplying these things is when the military has enough of them to train stateside with them. If you could answer that for me.

Secretary GEREN. Well, our goal is to train as we fight. But with the demands in theater, we are moving—

Mr. TAYLOR. I understand.

Secretary GEREN [continuing]. The equipment into theater to meet the needs there. And MRAP—as we do our long-term planning, and the Army plans for what our needs long-term are for MRAP, it includes enough MRAPs so that we can train on those MRAPs. It certainly is less than optimal to send our soldiers into Iraq and to Afghanistan without having trained on the MRAPs here. And they train there for a short period of time.

But it certainly doesn't match what they would get if we had the MRAPs here. So I can't give you a firm date because we don't know at this point how many MRAPs we think is the right number in theater. We are still working on that.

By the end of the year, we will have 10,000 plus. We are just trying to fine tune working with the theater to figure out exactly what that number is. But those will be filled first. And then we will continue to fill to make sure that we have them to train. But that is what we have, a situation, as you know, where the——

Mr. TAYLOR. Mr. Secretary——

The CHAIRMAN. Just let me interrupt.

Mr. TAYLOR. Sure.

The CHAIRMAN. In other words, you are not training as you fight.

Secretary GEREN. With a number of different pieces of equipment we do not have them in theater, and they train when they get to theater. On MRAPs we do not have MRAPs all across the training base in the United States.

General CASEY. I do think that is an important point, that the training takes place here in the United States, in Kuwait as they are coming through, and during the transition period that they have in Iraq. Now, as you suggest, we would like to have most of the training done here in the United States. And as the Secretary said and as you know, we don't have a full complement of equipment here in the States.

Mr. TAYLOR. General.

General CASEY. To have the opportunity to train, Congressman, before they have to use them.

Mr. TAYLOR. But if we never set a target date, we never get there.

General CASEY. Your point is taken. Your point is taken.

Mr. TAYLOR. And that is the point I am trying to make. And that target date is going to come better from you, Mr. Secretary and you, General, than from me.

General CASEY. Right.

Mr. TAYLOR. And we need to set a target date. And we need to be able to measure ourselves whether or not we are living up to that. I mean, we are now the 5th year into this conflict, National Guardsmen and reservists are cycling through Camp Shelby, and they are literally walking around with something that looks like a cigar box that has got IED jammer written on it.

That is the closest they are going to come to the real thing until they get to theater. That is not correct training on something that is going to save their lives. We know that MRAPs are going to save their lives. And again, I don't mean to beat you over head, but I think it is very important that it starts with you.

We have a target date, and then let us try to stick to it. And then ask us, the Congress, to come up with the funds to make that happen. So I will leave it at that.

The second thing—and this is a repeat from my question yesterday. I posed it to the Air Force. It is going to involve your air assets in Iraq and Afghanistan now.

I just got to that portion of Charlie Wilson's War where in the span of five minutes, three hind helicopters were shot down by the first introduction of the stingers. And although things had been trending well for the Afghans prior to that, that obviously was a moment that Russian pilots wished had never happened.

And it was a weapon that they did not expect to see. But the Russians had to know it was out there. They just didn't expect to see it in Afghanistan.

Knowing that there are a world of weapons out there, knowing that the borders in Iraq and Afghanistan are extremely porous and that a lot of the same players that were helping the Afghans get weapons against the Soviets might well be helping the Afghans and the Iraqis get weapons now, are you confident that our nation doesn't experience a similar moment when a weapon that we know is out there, somewhere, in the world but we don't think is going to make their way to the insurgents in Afghanistan or the insurgents in Iraq? Are you confident that we are taking every precaution and are in a position to counter every possible scenario so that we don't face a moment like that as a Nation with our helicopters or in our air assets in Iraq or Afghanistan?

General CASEY. Congressman, I am confident that we are doing everything in our power to anticipate what the enemy might do and how he might do it and what new technologies he might bring to bear. And as you suggest, this is a constant struggle because war is action, reaction, and counteraction. And we work very hard to try to stay ahead of the threat.

Now, I am comfortable that our systems in theater are well-protected against the threats that you describe. And whether or not something can show up that we didn't anticipate, again, we constantly work at trying to anticipate that. But there are no guarantees in war.

Mr. TAYLOR. What are the trends as far as casualties to your air assets? I am sitting, what, 7,000 miles away. I can't—

General CASEY. Yes. The trends, I think, are actually quite stable. There is a relatively low level of surface-to-air attacks. And I am just going back to my own experience, and it is not current. But you have some peak periods. But, I mean, knock on wood, our aviators do very well. And it is a combination, not just of the protective equipment, but the tactics and techniques that they use as they move about.

Mr. TAYLOR. Thank you, Mr. Chairman.

Mr. Secretary, I hope you would get back to me with those dates as far as setting a target date. And I realize it is a target. But as far as where every stateside unit has the training to go to Iraq and Afghanistan will be training with the actual equipment they are going to be using in theater.

Secretary GEREN. Well, MRAPs as an example, it is going to be hard to give a set date because we don't, at this point, know how

many we believe we need in theater. Our goal, though, is once we meet the demand in theater then we will fill into the training requirements. But the soldiers that when we send MRAPs to theater, we don't immediately send them out with a unit.

They train with those MRAPs before they go out. It is not as optimal as if they had them previously, but they do train on the MRAPs there before they drive them and actually put them into use. So they are fielded, soldiers train with them, and then they are employed in the units.

But we will do our best to come up with goals. But in the case of MRAP, we are still developing what the requirement is in theater, trying to figure out what the right mix is.

At one point we thought it was going to be one to one, swap out all the up-armored Humvees. But understanding now of the situation is that it is going to be a mix, that it will continue to be a role for the up-armored Humvees in theater. So we will work to come up with timelines. But until we get a firm idea on exactly how many we need in theater, it is going to be hard to predict when we will be able to fill at home because our first priority is getting them into theater.

Mr. TAYLOR. Mr. Secretary, I very much appreciate that. But I would also tell you that I have already received in my capacity a phone call from the commandant of the Marine Corps where he says you know what, I may have ordered too many MRAPs. And he was seriously considering trying to work with the vendor to lower the number that he would acquire.

I think that gives you an excellent opportunity to buy the difference, to make them available for stateside training. Again, all I am asking is for a target date.

Secretary GEREN. I appreciate that.

Mr. TAYLOR. We all live by target dates.

Secretary GEREN. Yes, thank you. Certainly, we will do that.

Mr. TAYLOR. Okay. Thank you very much.

The CHAIRMAN. Speaking about target dates and timelines, is it not true that the American Army began seriously training the Iraqi forces in late 2004?

General CASEY. You know, there was always an effort going on. But if you look at when we stood up the multi-national security and transition command, I think it was the April, May timeframe of 2004.

The CHAIRMAN. Of 2004? So we have had 2005, 2006, 2007, and now we are well into 2008. In your personal and professional opinion, General, since you were there, could you give us a target date as to when the Iraqi forces can be fully trained to take over their own security?

General CASEY. You know, when you say fully trained to a soldier, that means, you know, almost to the capability of the U.S. Army.

The CHAIRMAN. Take it over, take it over, and the United States Army can come home.

General CASEY. Yes. I mean, my personal view, Senator, is the Iraqis—

The CHAIRMAN. I am not a senator. I was a state senator once upon a time.

General CASEY. Pardon me.

The CHAIRMAN. But I am not now. I am a member of the House.

General CASEY. Pardon me. I have been on the other side of the Hill here for the last couple of days.

The CHAIRMAN. Okay. But this is more fun, isn't it?

General CASEY. Now, there is a good one. They are going to need our help for some period of time.

The CHAIRMAN. Well, we understand that.

General CASEY. But certainly, not at the same level that we are.

The CHAIRMAN. But—

General CASEY. I don't find it useful to talk about when will they be absolutely fully independent of us.

The CHAIRMAN. Well, you know, it is interesting, though. Let me interrupt. Excuse me just a second.

It is interesting, though. Folks at home say hey, how long have we been there, how much longer do we have to be there to train up these forces. So we have 2005, 2006, 2007. We are in 2008, and we started in April, May of 2004. Somewhere along the line we ought to say it is your baby.

General CASEY. I mean, I think you know my feelings and what I tried to do when I was there to get them to build their capability as rapidly as we can.

The CHAIRMAN. I know that. And I compliment you on it.

General CASEY. And I think you will also agree—

The CHAIRMAN. And that is a tough job, tough job.

General CASEY. Yes. I think you will also agree, though, that you don't build an army overnight, and you especially don't do it while it is fighting every day. You know the old joke about the heart surgeon and the motorcycle mechanic and they are arguing whose job is harder? And the heart surgeon says I do mine with the motor running. I mean, that is what they are doing.

You are building an army from scratch while the motor is running, while they are fighting counterinsurgency operations every day. Leaders are getting killed, having to be re-stood up. I mean, it is a difficult proposition. I think they are doing a magnificent job. And I couldn't begin to give you a—to answer your first question.

The CHAIRMAN. I had an excellent discussion with Lieutenant General Caldwell not long ago regarding what is now FM3-0. And you had a copy of it on the desk there a few moments ago. Could you tell our committee in just as few words as possible what this new field manual purports to do, please?

General CASEY. Yes, Congressman. It begins to move us as an Army to deal with full spectrum operations. And we believe offense, defense, and stability operations simultaneously applied are what we are going to need in the 21st century to be successful.

The CHAIRMAN. Thank you. Timelines—I have in front of me the timelines for fiscal year 2009, 2010, 2014, 2015 regarding the future combat systems. Let me direct your attention—and I hope your good staff behind you would take some good notes on this.

For fiscal year 2009—there are five items—number one, five early prototypes of non-line of sight cannon vehicles; number two, prototype unattended ground sensors; number three, prototype non-line of sight missile launcher; number four, prototype FCS vehicle computers for M-1, M-2, and Humvees; and number five, proto-

types of small UAV and small robot. And I hope someone on your staff got all five of those. I can repeat them if you want me to.

General CASEY. No. I have got them and am very familiar with them.

The CHAIRMAN. Okay. The fiscal year is one-half through at the end of March. Am I correct? The fiscal year 2009 is over, the half of it is——

Secretary GEREN. 2008.

The CHAIRMAN. 2008——

Secretary GEREN. Right.

The CHAIRMAN [continuing]. Is over. So fiscal year 2009 will be—the mid-year will be March of next year. Am I correct?

General CASEY. I thought you were trying to trick me, Congressman.

The CHAIRMAN. No. There is no way to trick you, General. Can you give us on that day the status of each of those five items that were mentioned as of that day, mid-2009 fiscal year? That is a way off, but I would put it into the back of your mind so you might do that. And I would certainly appreciate that for the committee next year would be very, very helpful for us next year.

General CASEY. If I might, I guess you are asking how far along will those five systems be.

The CHAIRMAN. That is correct.

General CASEY. Okay.

The CHAIRMAN. See, they are all supposed to be done by the end of 2009, according to what I have in front of me.

General CASEY. Yes.

The CHAIRMAN. And I ask that half-way point of 2009 would you tell us where each of those five items are as toward their finishing date, allegedly, at the end of 2009.

General CASEY. We will do that. And just so you know, all five of those systems are out at Fort Bliss in the hands of soldiers right now.

The CHAIRMAN. I understand. But we look forward to it.

A couple more items, General. You were good enough in your opening statement to speak about a very courageous sergeant I know you and all Americans are very proud of the sergeant who was awarded the Army's distinguished service cross.

And all would agree from your description that his actions went above and beyond the call to duty. Not only did he save lives of his fellow soldiers at great personal risk, but he went back to the burning striker with the ammo and explosives to man a 50-caliber machine gun to save his fellow soldiers and take the fight to the enemy.

This is pretty parallel to what Audie Murphy, the most decorated soldier in World War II, did to receive the medal of honor. And there have been no soldiers, no one to receive the medal of honor in any conflicts that are ongoing, whether it be Iraq or Afghanistan. And I wonder if the bar has been moved as to what it takes for someone to receive a medal of honor.

None have been awarded since Vietnam. And from your description, this fits the Audie Murphy actions to a T where he went back to man the machine gun. And Audi Murphy did the same thing to a burning tank. And I think the only difference was he was man-

ning a 30-caliber machine gun. And he received the medal of honor. Is there some reason that no one such as this sergeant has received that high honor?

General CASEY. Congressman, there have been two medals of honor awarded in this current conflict.

The CHAIRMAN. Both of them were posthumous. Am I correct?

General CASEY. That is correct. One great sergeant first class, Sergeant Paul Ray Smith, Army and a Marine whose name I do not know. But both are posthumous.

The CHAIRMAN. Is that a criteria that they be—

General CASEY. No, it is not.

The CHAIRMAN. Well, is there some reason why others have not been awarded to those that have survived?

General CASEY. I cannot think of a specific reason. There certainly is no bar that has—or the bar has not been elevated. There is a process that is a very meticulous process to determine the level of these awards. But there is no bar to—the bar hasn't been raised.

The CHAIRMAN. Well, you should know that other Members of the Congress have asked me that question. And I can't answer it. So I pass it on to you for your consideration.

Last September our committee held a hearing on the Army's contracting problems in Iraq and Kuwait and Afghanistan. And the Army, to your credit, uncovered more than \$15 million in bribes. The Department of Defense Inspector General continues to review \$6 billion in contracts for potential fraud.

And since our hearing we have received the report of the Gansler Commission, which you established, Mr. Secretary, in a call for wholesale organizational changes in the way the Army performs its contracting duties. What are your current plans to implement that commission's recommendations?

Secretary GEREN. Thank you, Mr. Chairman. We have already implemented many of the recommendations. In fact, we didn't really wait until the Gansler Commission was finished in its work.

Last summer we stood up a contracting task force under General Ross Thompson and Kathy Condon. And they began work immediately. And they worked hand in glove with Gansler. So as we moved along, we could incorporate some of the lessons that we learned from Dr. Gansler into our decision-making so we could implement as quickly as we could.

As recommended by Gansler, we have set up a two-star Army contracting command. We have already set it up. He calls for obviously a uniformed military person to hold that position, two-star. Unfortunately, we don't have the bench in the contracting field in the Army to fill that at the present time. We have an Senior Executive Service (SES) equivalent of two-star.

We have also set up, according to his recommendation, a one-star expeditionary contracting command and an installation contracting command, one-star. And we have established seven brigade contracting teams.

Where we found ourselves with over the last several years—I would say maybe the last decade, a little bit plus—we saw our personnel in contracting really at risk and wasn't replaced, both in civilian and in military. And one of the most important things that we are going to do and it is something that we have underway, it is some-

thing strongly endorsed by Gansler, is we have got to rebuild that bench.

We have got to develop civilians. We have got to develop soldiers that have those skills. And you don't do it overnight.

But we have now built positions so that these soldiers can look up and see I have got a place to grow into, there is room to be promoted. We have put instructions in promotion boards to make sure that they recognize and acknowledge those contracting roles.

We have a contracting task force, which I have asked the under-secretary to chair. And he has got a two-star that is supporting him to continue to push forward with the Gansler recommendations. We have changed a great deal. We have already added about 400 personnel to contracting, as recommended by Gansler. We have got another 700 that we are seeking approval to transfer into contracting.

But just big picture—the future of the Army requires expertise in contracting. Over the last couple of decades we did not cultivate that expertise. And we saw contracting needs ramp up. We saw the number of contracts, the dollar volume of contracts ramp up. And we did not develop contracting professionals to meet that demand.

So it is going to be a multi-year process. It is going to be a decade-long process. But we have begun. We have built the structure that he called for. And now it is going to be a question of attracting young people into that field, civilians and military, growing them into those O5s and O6s, growing them into general officers and filling these billets that right now we are filling with civilians with the uniformed contracting officers.

He did an outstanding job for us. He gave us a blueprint, and we are embracing it completely. There are very few things in his report that we have not embraced. And we are moving out on them.

The CHAIRMAN. Probably one of the worst days of your life was when you came over and gave us an early briefing on that situation. And thank you for it, not just your candor then, but your attention to it now.

Secretary GEREN. Yes, sir.

The CHAIRMAN. You are doing the right thing. We compliment you—

Mr. COURTNEY [continuing]. Testified before our committee regarding the status of the joint cargo aircraft program. He indicated that there has been discussions between the two of you regarding the memorandum of agreement, which Connecticut and many other Air National Guard are watching very closely. And I just wonder if you could give your perspective in terms of, you know, whether the existing memorandum is still the rule of the road and that these Air Guard units are still going to see the joint cargo aircraft arriving on schedule.

General CASEY. The memorandum was dated yesterday. Both of us signed it. And the first line says that the United States Air Force and Army stand together in support of the joint cargo aircraft. So we are committed to it, and we are both moving out.

The CHAIRMAN. I suppose this is pursuant to the roles and missions requirement in our bill last year. Am I correct?

General CASEY. Absolutely.

The CHAIRMAN. Good. Well, carry on. That is good. Now all you have to do is get the Navy and Marine Corps to sign that memorandum, and you are home free.

Well, gentlemen, thank you so very, very much for appearing before us today. You are blessed in so many ways. You are the Secretary and the military head of the finest Army in the world. The sons and daughters of Americans all across our country are in your keeping.

And we appreciate your sincerity, your knowledge, your hard work, most of all, your vision. Our job is to make an inquiry. Our job under the Constitution is to maintain and provide so that you can carry out your duties under our Constitution.

So continue to do well. Know that you are appreciated. I like to make reference often to the great Roman Orator, Cicero, who said that gratitude is the greatest of all virtues. So with that, we will close this hearing with knowing that you have the gratitude of this committee and that those in uniform have the gratitude of our Nation. Thank you. That is it.

Secretary GEREN. Thank you, Mr. Chairman.

General CASEY. Thank you.

[Whereupon, at 1:11 p.m., the committee was adjourned.]

A P P E N D I X

FEBRUARY 28, 2008

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

FEBRUARY 28, 2008

RECORD VERSION

STATEMENT BY

THE HONORABLE PETE GEREN
SECRETARY OF THE ARMY

AND

GENERAL GEORGE W. CASEY JR.
CHIEF OF STAFF
UNITED STATES ARMY

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE

SECOND SESSION, 110TH CONGRESS

ON THE POSTURE OF THE UNITED STATES ARMY 2008

FEBRUARY 28, 2008

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UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICES

Our Nation has been at war for over six years. Our Army—Active, Guard and Reserve—has been a leader in this war and has been fully engaged in Iraq, Afghanistan, and defending the homeland. We also have provided support, most notably by the Army National Guard and Army Reserve, to civil authorities during domestic emergencies. Today, of the Nation's nearly one million Soldiers, almost 600,000 are serving on active duty and over 250,000 are deployed to nearly 80 countries worldwide.

We live in a world where global terrorism and extremist ideologies threaten our safety and our freedom. As we look to the future, we believe the coming decades are likely to be ones of persistent conflict—protracted confrontation among state, non-state, and individual actors who use violence to achieve their political and ideological ends. In this era of persistent conflict, the Army will continue to have a central role in implementing our national security strategy.

While the Army remains the best led, best trained, and best equipped Army in the world, it is out of balance. The combined effects of an operational tempo that provides insufficient recovery time for personnel, Families, and equipment, a focus on training for counterinsurgency operations to the exclusion of other capabilities, and Reserve Components assigned missions for which they were not originally intended nor adequately resourced, result in our readiness being consumed as fast as we can build it. Therefore, our top priority over the next several years is to restore balance through four imperatives: Sustain, Prepare, Reset, and Transform.

The Army's strength is its Soldiers—and the Families and Army Civilians who support them. The quality of life we provide our Soldiers and their Families must be commensurate with their quality of service. We will ensure that our injured and wounded Warriors, and their Families, receive the care and support they need to reintegrate effectively into the Army or back into society. We never will forget our moral obligation to the Families who have lost a Soldier in service to our Nation.

We are grateful for the support and resources we have received from the Secretary of Defense, the President, and Congress. To fight the wars in Afghanistan and Iraq, transform to meet the evolving challenges of the 21st century, and to regain our balance by 2011, the Army will require the full level of support requested in this year's base budget and Global War on Terror (GWOT) Request.

"The U.S. Army today is a battle-hardened force whose volunteer Soldiers have performed with courage, resourcefulness, and resilience in the most grueling conditions. They've done so under the unforgiving glare of the 24-hour news cycle that leaves little room for error, serving in an institution largely organized, trained, and equipped in a different era for a different kind of conflict. And they've done all this with a country, a government—and in some cases a defense department—that has not been placed on a war footing." Secretary of Defense, Honorable Robert M. Gates, October 10, 2007, AUSA Annual Meeting

The Army—Active, Guard and Reserve—exists to protect our Nation from our enemies, defend our vital national interests and provide support to civil authorities in

response to domestic emergencies. Our mission is to provide ready forces and land force capabilities to the Combatant Commanders in support of the National Security Strategy, the National Defense Strategy and the National Military Strategy.

While “what” the Army does for the Nation is enduring, “how” we do it must adapt to meet the changing world security environment. We are in an era of persistent conflict which, when combined with our on-going global engagements, requires us to rebalance our capabilities. We do this remembering that Soldiers, and the Families who support them, are the strength and centerpiece of the Army. And, while our Nation has many strengths, in time of war, **America's Army is The Strength of the Nation.**

Strategic Context: An Era of Persistent Conflict

Persistent conflict and change characterize the strategic environment. We have looked at the future and expect a future of protracted confrontation among state, non-state, and individual actors who will use violence to achieve political, religious, and other ideological ends. We will confront highly adaptive and intelligent adversaries who will exploit technology, information, and cultural differences to threaten U.S. interests. Operations in the future will be executed in complex environments and will range from peace engagement, to counterinsurgency, to major combat operations. This era of persistent conflict will result in high demand for Army forces and capabilities.

Trends Creating the Conditions for Persistent Conflict

The potential for cascading effects from combinations of events or crises arising from the trends described below compounds the risk and implications for the United States.

Globalization and Technology

Increased global connectivity and technological advances will continue to drive global prosperity—yet they also will underscore disparities, such as in standards of living, and provide the means to export terror and extremism around the world. Globalization accelerates the redistribution of wealth, prosperity, and power, expanding the “have” and “have not” conditions that can foster conflict. The scale of this problem is evident in the projection that 2.8 billion people are expected to be living below the poverty line by 2025. While advances in technology are benefiting people all over the world, extremists are exploiting that same technology to manipulate perceptions, export terror, and recruit the people who feel disenfranchised or threatened by its effects.

Radicalism

Extremist ideologies and separatist movements will continue to have an anti-western and anti-U.S. orientation. Radical and religious extremist groups, separatists, and organizations that support them are attractive to those who feel victimized or threatened by the cultural and economic impacts of globalization. The threats posed by Sunni Salafist extremists, like Al-Qaeda, as well as Shia extremists with Iranian backing, represent a major strategic challenge.

Population Growth

The likelihood of instability will increase as populations of several less-developed countries will almost double in size by 2020 – most notably in Africa, the Middle East, and South and Southeast Asia. The “youth bulge” created by this growth will be vulnerable to anti-government and radical ideologies and will threaten government stability. This situation will be especially true in urban areas in which populations have more than doubled over the last 50 years.

By 2025, urban areas with concentrations of poverty will contain almost 60 percent of the world's population.

Resource Competition

Competition for water, energy, goods, services, and food to meet the needs of growing populations will increase the potential for conflict. Demand for water is projected to double every 20 years. By 2015, 40 percent of the world's population will live in “water-stressed” countries. By 2025, global energy demands are expected to increase by 40 percent, threatening supplies to poor and developing nations.

Climate Change and Natural Disasters

Climate change and other projected trends will compound already difficult conditions in many developing countries. These trends will increase the likelihood of humanitarian crises, the potential for epidemic diseases, and regionally destabilizing population migrations. Desertification is occurring at nearly 50-70 thousand square

miles per year. Today more than 15 million people are dying annually from communicable diseases. The number of people dying each year could grow exponentially with increases in population density and natural disasters.

Proliferation of Weapons of Mass Destruction

The diffusion and increasing availability of technology increases the potential of catastrophic nuclear, biological, and chemical attacks. Many of the more than 1,100 terrorist groups and organizations are actively seeking weapons of mass destruction.

Safe Havens

States that are unable or unwilling to exercise control within their borders create the potential for global and regional groups to organize and export terror. Territories under the control of renegade elements or separatist factions will challenge central government authority, potentially creating a base from which to launch broader security threats. The trends that fuel persistent conflict characterize the strategic environment now and into the future and will require integration of all elements of our national power (diplomatic, informational, economic, and military) to achieve our national objectives. The implication for the Army is the need to be modernized, expeditionary and campaign capable, and prepared to operate across the full spectrum of conflict.

Challenges of Providing Forces with the Right Capabilities

The Army recruits, organizes, trains, and equips Soldiers who operate as members of Joint, interagency, and multinational teams. The Army also provides

logistics and other support to enable our Joint and interagency partners to accomplish their missions, as well as support civil authorities in times of national emergencies. Responding to the strategic environment and the national security strategy that flows from it, we are building an expeditionary and campaign quality Army. Our expeditionary Army is capable of deploying rapidly into any operational environment, conducting operations with modular forces anywhere in the world, and sustaining operations as long as necessary to accomplish the mission. To fulfill the requirements of today's missions, including the defense of the homeland and support to civil authorities, approximately 591,000 Soldiers are on active duty (currently 518,000 Active Component, 52,000 Army National Guard, and 21,000 Army Reserve). Forty-two percent (251,000) of our Soldiers are deployed or forward-stationed in 80 countries around the world. Additionally, more than 237,000 Army Civilians are performing a variety of missions vital to America's national defense. Of these, more than 4,500 are forward deployed in support of our Soldiers.

Our current focus is on preparing forces and building readiness for counterinsurgency operations in Iraq and Afghanistan. Despite this current and critical mission, the Army also must be ready to provide the Combatant Commanders with the forces and capabilities they need for operations anywhere around the world, ranging from peace-time military engagement to major combat operations. Examples of Army capabilities and recent or ongoing operations other than combat include the following:

- Supporting the defense of South Korea, Japan, and many other friends, allies, and partners
- Conducting peacekeeping operations in the Sinai Peninsula and the Balkans

- Conducting multi-national exercises that reflect our longstanding commitments to alliances
- Continuing engagements with foreign militaries to build partnerships and preserve coalitions by training and advising their military forces
- Participating, most notably by the Army National Guard, in securing our borders and conducting operations to counter the flow of illegal drugs
- Supporting civil authorities in responding to domestic emergencies, including natural disasters and threats at home and abroad
- Supporting interagency and multi-national partnerships with technical expertise, providing critical support after natural disasters, and promoting regional stability
- Supporting operations to protect against weapons of mass destruction and block their proliferation

It is vital that our Army ensures that units and Soldiers have the right capabilities to accomplish the wide variety of operations that we will conduct in the 21st century. Continuous modernization is the key to enhancing our capabilities and maintaining a technological advantage over any enemy we face. We never want to send our Soldiers into a fair fight.

Future Combat Systems (FCS) are the core of our modernization effort and will provide our Soldiers an unparalleled understanding of their operational environment, increased precision and lethality, and enhanced survivability. These improved capabilities cannot be achieved by upgrading current vehicles and systems. FCS will use a combination of new manned and unmanned air and ground vehicles, connected by robust networks, to allow Soldiers to operate more effectively in the complex threat

environments of the 21st century. Maintaining our technological edge over potential adversaries, providing better protection, and giving our Soldiers significantly improved capabilities to accomplish their mission are the reasons for FCS. FCS capabilities currently are being tested at Fort Bliss, Texas. They are proving themselves valuable in the current fight and are being fielded to our Soldiers in Iraq. FCS and their capabilities will continue to be integrated into the force over the next 20 years.

Two Critical Challenges: Restoring Balance and Funding

An Army Out of Balance

Today's Army is out of balance. The current demand for our forces in Iraq and Afghanistan exceeds the sustainable supply and limits our ability to provide ready forces for other contingencies. While our Reserve Components (RC) are performing magnificently, many RC units have found themselves assigned missions for which they were not originally intended nor adequately resourced. Current operational requirements for forces and insufficient time between deployments require a focus on counterinsurgency training and equipping to the detriment of preparedness for the full range of military missions.

We are unable to provide a sustainable tempo of deployments for our Soldiers and Families. Soldiers, Families, support systems, and equipment are stretched and stressed by the demands of lengthy and repeated deployments, with insufficient recovery time. Equipment used repeatedly in harsh environments is wearing out more rapidly than programmed. Army support systems, designed for the pre-9/11 peacetime Army, are straining under the accumulation of stress from six years at war. Overall, our

readiness is being consumed as fast as we build it. If unaddressed, this lack of balance poses a significant risk to the All-Volunteer Force and degrades the Army's ability to make a timely response to other contingencies.

Restoring Balance

We are committed to restoring balance to preserve our All-Volunteer Force, restore necessary depth and breadth to Army capabilities, and build essential capacity for the future. Our plan will mitigate near-term risk and restore balance by 2011 through four imperatives: Sustain, Prepare, Reset and Transform.

Sustain

To sustain our Soldiers, Families, and Army Civilians in an era of persistent conflict we must maintain the quality and viability of the All-Volunteer Force and the many capabilities it provides to the Nation. Sustain ensures our Soldiers and their Families have the quality of life they deserve and that we recruit and sustain a high quality force.

Goals for Sustain:

- Offer dynamic incentives that attract quality recruits to meet our recruiting objectives for 2008 and beyond
- Provide improved quality of life and enhanced incentives to meet our retention objectives for 2008 and beyond
- Continue to improve the quality of life for Army Families by implementing the Army Family Covenant and other programs that: standardize services, increase

the accessibility and quality of health care, improve housing and installation facilities, provide excellence in schools and youth services, and expand spousal education and employment opportunities

- Continue to improve care for Wounded Warriors and Warriors in Transition through a patient-centered health care system, Soldier and Family Assistance Centers, and improved Warrior Transition Unit facilities
- Continue to support Families of our fallen with sustained assistance that honors the service of their Soldiers

Prepare

To prepare our Soldiers, units, and equipment we must maintain a high level of readiness for the current operational environments, especially in Iraq and Afghanistan.

Goals for Prepare:

- Continue to adapt and enhance the rigor of institutional, individual, and operational training to enable Soldiers to succeed in complex 21st century security environments
- Train Soldiers and units to conduct full spectrum operations with improved training ranges to operate as part of a Joint, interagency, or multi-national force
- Provide Soldiers the best equipment through the Rapid Fielding Initiative, the Rapid Equipping Force, and modernization efforts
- Partner with private industry to rapidly develop and field equipment needed on today's battlefield

- Continue to improve the Army Force Generation (ARFORGEN) process which increases the readiness of the operating force over time by generating recurring periods of availability of trained, ready, and cohesive units

Reset

To reset our force we must prepare our Soldiers, units, and equipment for future deployments and other contingencies.

Goals for Reset:

- Develop an Army-wide reset program that repairs, replaces, and recapitalizes equipment that our Soldiers need
- Retrain our Soldiers to accomplish the full spectrum of missions they will be expected to accomplish
- Revitalize our Soldiers and Families through implementation and full resourcing of the Soldier Family Action Plan (SFAP) and our warrior care and transition programs

Transform

To transform our force, we must continuously improve our ability to meet the needs of the Combatant Commanders in a changing security environment.

Goals for Transform:

- Help balance our force and increase capacity to provide sufficient forces for the full range and duration of current operations and future contingencies by growing as quickly as possible

- Upgrade and modernize to remain an agile and globally responsive force with Future Combat Systems (FCS) as the core of our modernization effort
- Continue organizational change through modularity and rebalancing to become more deployable, tailorable, and versatile
- Improve expeditionary contracting and financial and management controls
- Continue to adapt institutions and the processes, policies, and procedures, including business practices, to more effectively and efficiently support an expeditionary Army at war
- Complete the transition of the RC to an operational reserve and change the way we train, equip, resource, and mobilize RC units
- Integrate Grow the Army initiative, Base Realignment and Closure (BRAC), Global Defense Posture Realignment, and the operation of installations and facilities to increase readiness, improve efficiency, and improve the quality of life for our Soldiers, Families, and Army Civilians
- Develop agile and adaptive leaders who can operate effectively in Joint, interagency, intergovernmental, and multi-national environments

Compelling Needs for Sustain, Prepare, Reset, and Transform

To achieve balance through the four imperatives, the Army will require sustained, timely, and predictable base budget and GWOT funding. The Army's compelling needs for FY09 are:

Support and Fund:

- Recruiting and retention incentives and benefits to enable Active and Reserve Components to meet end-strength objectives and achieve Army standards for recruit quality
- Quality of life programs to sustain our Soldiers' and Army Civilians' commitment to serve and the continued support of our Army Families
- Programs to help our wounded, ill, and injured Warriors in Transition to return to duty or to civilian life
- BRAC and military construction to execute the Army's global repositioning plan
- Operations and maintenance for air and ground operations, depot maintenance, base operations, and space and missile defense capabilities
- Leader training and development to make Soldiers culturally astute and better able to integrate and complement the other elements of national power (diplomatic, informational, and economic)
- Efforts to develop technical and procedural solutions to defeat the threat of improvised explosive devices
- The Rapid Equipping Force (REF)
- Equipment repair, replacement, and recapitalization programs
- Retraining Soldiers to execute their new and future missions
- Programs to revitalize our Soldiers and Families as they reintegrate after deployments
- End-strength growth of approximately 74,000 by 2010.

- Army modernization programs including Future Combat Systems, aviation, Patriot PAC-3, LandWarNet, intelligence, logistics automation, and other advanced technologies
- Planned modular transformations in 2009 - two Brigade Combat Teams and 13 support brigades
- Transformation of the Reserve Components to an operational reserve

"America's ground forces have borne the brunt of underfunding in the past and the bulk of the costs-both human and material-of the wars of the present. By one count, investment in Army equipment and other essentials was underfunded by more than \$50 Billion before we invaded Iraq. By another estimate, the Army's share of total defense investments between 1990 and 2005 was about 15 percent. So resources are needed not only to recoup from the losses of war, but to make up for the shortfalls of the past and to invest in the capabilities of the future." - Secretary of the Defense, Honorable Robert M. Gates, October 10, 2007, AUSA Annual Meeting

Funding Challenges

Recruiting and retaining the most combat-experienced Army in our Nation's history require predictable and sustained funding. Sustaining this high-quality and professional All-Volunteer Force will not be possible without investing in and supporting our quality of life efforts and providing competitive pay and benefits. As a manpower-intensive organization, we will continue to spend the bulk of our funds to sustain people

and maintain vital infrastructure, but we also must maintain investment in equipment and technology required for future readiness.

To support our Soldiers, the centerpiece of the Army, we must rebuild and recapitalize our equipment including vehicles and weapons systems, maintain readiness for current operational demands, and build readiness for future challenges. It takes years beyond the end of hostilities to complete rebuilding and recapitalizing equipment. The fact that the number of vehicles and weapon systems currently in Army depots are sufficient to equip five Brigade Combat Teams and one Combat Aviation Brigade demonstrates the importance of timely recapitalization and reconditioning.

The Fiscal Year 2009 President's Budget

The FY09 President's Budget requests \$140.7 Billion for the Army. This request and the amounts in the Global War on Terror (GWOT) Request are necessary to support current operations, fight the wars in Iraq and Afghanistan, sustain the All-Volunteer Force, and prepare for future threats to the Nation. This year the President approved accelerating the end-strength of the Army's Active Component to 547,000 and the Army National Guard to 358,200 by 2010.

The Army Reserve will increase in size to 206,000 by 2013. This most significant increase in the FY09 budget is the result of permanent end-strength increases of 44,300 Soldiers in two components: 43,000 in the Active Component and over 1,300 in the Army National Guard. The Army's FY09 budget includes \$15.1 Billion for all the costs associated with Grow the Army, which is an increase of \$7.4 Billion over the costs of this initiative in FY08. This growth will enhance combat capabilities, help meet global

force demand, and reduce stress on deployable personnel. Amounts requested by major appropriation category in the FY09 President's Budget as well as the change from the amounts enacted in FY08 are:

Military Personnel

The FY09 budget requests \$51.8 Billion, a \$5.5 Billion increase from FY08. This includes \$4 Billion for Grow the Army, an increase of \$3.4 Billion over FY08. This amount also funds pay, benefits, and associated personnel costs for 1,090,000 Soldiers: 532,400 Active, 352,600 Army National Guard, and 205,000 Army Reserve. The GWOT Request will fund special pays and incentives and the mobilization of Reserve Component Soldiers.

Operation and Maintenance

The FY09 budget requests \$40.2 Billion, a \$3.6 Billion increase from FY08. This includes \$2.6 Billion for Grow the Army, an increase of \$1.9 Billion from FY08. The increase funds training and sustainment of Army forces and includes the maintenance of equipment and facilities. The GWOT Request will fund the day-to-day cost of the war, training to prepare units for deployment, and the reset of forces returning from deployment.

Procurement

The FY09 budget requests \$24.6 Billion, a \$2 Billion increase from FY08. This includes \$4.2 Billion for Grow the Army, an increase of \$100 Million from FY08. This

increase continues procurement of weapons systems for the Army to include the Non-Line of Sight Cannon, an FCS-designed system. The GWOT Request will fund procurement of weapon systems to improve force readiness and replace battle losses and the reset of forces returning from deployment.

Research, Development, Test, and Evaluation

The FY09 budget requests \$10.5 Billion, approximately the same amount requested last year, but a \$1.5 Billion decrease in the amount appropriated in FY08. The FY09 request reflects a \$100 Million decrease to the FCS Research, Development, Test, and Evaluation as the programs transition to procurement.

Construction, Base Realignment and Closure (BRAC), and Army Family Housing

The FY09 budget requests \$11.4 Billion, a \$1.8 Billion increase from FY08. This includes \$4.3 Billion for Grow the Army, an increase of \$1.9 Billion from FY08. The increase funds the construction of facilities to support the growth and re-stationing of Army Forces. The GWOT Request will fund construction in and around the Iraq and Afghanistan theaters of operation.

Other Accounts

The Army executes the Chemical Agents and Munitions Destruction Program. Funding for this account is stable at \$1.6 Billion in FY08 and FY09. The Army also has fiscal responsibility for the Iraq Security Forces Fund (ISFF), Afghanistan Security Forces Fund (ASFF), and Joint Improvised Explosive Device Defeat Organization (JIEDDO)

appropriations. The Army budgets for recurring sustainment costs of JIEDDO with FY09 at \$500 Million, an increase of \$400 Million from FY08. The GWOT Request will fund JIEDDO initiatives. The ISFF and ASFF are funded entirely through the GWOT Request.

Restoring Fiscal Balance

Timely and full funding of the Army's FY09 request of \$140.7 Billion will ensure the Army is ready to meet the needs of the Nation and continue the process of putting us back in balance. However, it is important to note that over the last six years, the Army has received increasing proportions of its funding through supplemental and GWOT appropriations. This recurring reliance on GWOT funds and a natural overlap between base and GWOT programs means that the Army's base budget does not fully cover the cost of both current and future readiness requirements. Because the GWOT planning horizon is compressed and the timing and amount of funding is unpredictable, some base programs would be at risk if supplemental funding is precipitously reduced or delayed. An orderly restoration of the balance between base and GWOT requirements is essential to maintain Army capabilities for future contingencies.

Our goals are to be good stewards of the resources we are provided by Congress and to free human and financial resources for higher priority operational needs. Through the use of innovations such as Lean Six Sigma we are improving support to our people while reducing waste and inefficiencies. Integral to achieving our goals is the development of an Army-wide cost-management culture in which leaders better understand the full cost of the capabilities they use and provide and incorporate

cost considerations into their planning and decision-making. This approach will enable us to achieve readiness and performance objectives more efficiently. Concurrently, we are strengthening our financial and management controls to improve contracting in expeditionary operations and ensure full compliance with the law and regulations.

Our goal to improve long-term sustainability will be achieved through effective stewardship of human, financial, and natural resources. Some examples of our ongoing initiatives include:

- Adjusting our national and global footprint to improve efficiency and sustainability
- Transforming installations, depots, arsenals, and the information network that connects them to become more effective, energy efficient, and environmentally conscious
- Transforming the Army's training, structure, systems, and processes to better sustain and prepare the force
- Adapting our activities to protect the environment
- Our accomplishments over the past year further illustrate our commitment to improving efficiency and effectiveness throughout the Army.

Army Accomplishments

- Initiated the Army Medical Action Plan to improve medical care for our Wounded Warriors
- Initiated the Soldier Family Action Plan bringing to life the Army Family Covenant

- Initiated Soldier Family Assistance Centers throughout the Army to provide a single point of entry for Families and Wounded Warriors for health-care and related issues
- Recognized with the prestigious Malcolm Baldrige Award; the Army Armament, Research and Development Engineering Center is the only organization in the federal government to have received this honor
- Recognized for world-class excellence in manufacturing, the Army Materiel Command's depots and arsenals earned 12 Shingo public sector awards
- Formed the Army Contracting Task Force to review current contracting operations and then immediately began implementing improvements
- Converted approximately 10,000 military positions to civilian positions through the end of FY07
- Privatized more than 4,000 homes, bringing the total to over 75,000 homes that are privately managed
- Reduced energy consumption on our installations through FY07, achieving levels down 8.4 percent since 2003 and 28.9 percent since 1985
- Reset 123,000 pieces of equipment, including 1,700 tracked vehicles, 15,000 wheeled vehicles, 550 aircraft, and 7,400 generators
- Improved property accountability by providing Army wide visibility of 3.4 billion items valued in excess of \$230 Billion
- Destroyed over 15,000 tons of chemical agent contained in 1.8 million chemical munitions and containers

- Moved 10 million square feet of unit cargo in support of the GWOT and humanitarian aid missions
- Merged the Joint Network Node program into the Warfighter Information Network-Tactical, resulting in better integration and cost savings
- Began fielding Mine Resistant Ambush Protected (MRAP) vehicles to units in Iraq
- Established the Army Evaluation Task Force and fielded first 'spin-outs' from FCS
- Developed the Automated Reset Management Tool to provide a collaborative integrated tool for equipment reset planning and execution of the Army Force Generation process
- Increased the rigor in training new Soldiers by requiring graduates of basic training to be Combat Lifesaver certified
- Fielded Human Terrain Teams to assist commanders in gaining objective knowledge of a population's social groups, interests and beliefs
- Employed National Guard Soldiers worldwide who aided in seizing nearly 4,000 vehicles, approximately a million pounds of marijuana, and roughly 600,000 pounds of cocaine
- While we are proud of these accomplishments, we continue to identify and pursue additional ways to improve our stewardship, efficiency, and effectiveness throughout the Army.

Preserving the Strength of the Nation

The Army has been at war for over six years. Our Soldiers have demonstrated valor, endured countless hardships, and made great sacrifices. Over 3,000 Soldiers have died and many more have been wounded. The awards our Soldiers have earned reflect their accomplishments and bravery on the battlefield. Our Army Families have stood shoulder to shoulder with their Soldiers throughout these challenging times.

Our examination of the current and future security environments confirms the need to restore balance and build readiness across all components of the Army as quickly as possible. Four imperatives—Sustain, Prepare, Reset, and Transform—frame how the Army will restore balance by 2011 and begin to build readiness for the future. To accomplish our plan, we will continue to require timely and predictable resources and support.

The Army will remain central to successfully achieving U.S. national security objectives, particularly in an era in which operations will be waged increasingly among people in urban environments. As the decisive ground component of the Joint and interagency teams, the Army operates across the full spectrum of conflict to protect our national interests and affirm our Nation's commitment to friends, allies, and partners worldwide. Our goal is a more agile, responsive, campaign-quality and expeditionary Army with modern networks, surveillance sensors, precision weapons, and platforms that are lighter, less logistics dependent, and less manpower intensive.

As we restore balance and build readiness for the future, we continue to invest in our centerpiece—Soldiers—and the Families that support them. Of the million Soldiers in uniform, over half of them are married, with more than 700,000 children. The Army

Family Covenant, the Soldier Family Action Plan, and the Army Medical Action Plan are examples of our commitment to caring for our Soldiers, Families, and Army Civilians in these challenging times. With the continued support from the Secretary of Defense, the President, and Congress for our legislative and financial needs, the Army will restore balance, build the readiness necessary in an era of persistent conflict, and remain **The Strength of the Nation**.

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

FEBRUARY 28, 2008

QUESTION SUBMITTED BY MR. ABERCROMBIE

Mr. ABERCROMBIE. In December 2007 the M4 carbine had the poorest performance during an extreme dust test that replicated the desert environments of Iraq and Afghanistan. Reports of the test state that the M4 malfunctioned seven times more than the leading rifle tested. In light of the M4s poor performance during recent testing, what plans does the Army have to address the deficiencies of the M4 and is it planning to procure a follow-on weapon with a stronger performance record?

Secretary GEREN and General CASEY. The weapons were tested in a lab environment and pushed beyond their technical limits to ensure that the M4 remains one of the most capable weapons in all environments. All weapons in the test performed well: stoppages in all carbines were roughly 1.4 percent or less of the total rounds fired by each, meaning that all weapons had more than a 98% reliability rate under the test's extreme and minimal maintenance conditions. The M4 is the most tested (in the laboratory and battlefield) individual weapon employed by our forces today. Our Soldiers and combat leaders are resolute in their support of the M4 and the job it is doing for our Soldiers in combat. In some aspects, the M4 performed better than the other weapons, for example it has less round dispersion (greater accuracy) and fewer ruptured cartridges (better safety).

Nevertheless, the Army is analyzing the results of the extreme dust tests for potential improvements to the M4. There have been 68 substantive engineering changes since fielding the weapon. Recently, the Army improved the magazines on the M4 and M16 and will begin fielding the weapons with improved magazines to Soldiers in Iraq and Afghanistan this summer. We also have an ongoing engineering study to determine if the extractor mechanism can be improved.

Our combat developers have completed a capabilities based assessment (CBA) of small arms and identified those capability gaps that must be addressed through materiel solutions. However, the CBA did not support the need for a new carbine/rifle individual weapon.

QUESTION SUBMITTED BY MR. HAYES

Mr. HAYES. Is there a valid requirement within the Army for the Joint Cargo Aircraft (JCA)? Is this a critical requirement? It is very important for this Committee to hear from you what a high priority JCA is for the Army and our soldiers.

Secretary GEREN and General CASEY. The JCA is a critical requirement for the Army and our Soldiers. JCA enables the Army to meet its inherent core logistics functions of transporting Army time-sensitive mission-critical (TSMC) cargo and personnel to forward deployed units, often in remote and austere locations. Because the critical nature of this cargo contributes to the success of the tactical ground commander's mission and the usually less than 24 hours notice of its need, lift assets must be in a direct support relationship to provide the necessary responsiveness.

To meet this requirement, the Army maintains a worldwide operational support airlift capability of aging C-23 aircraft for the Combatant Commanders. For sustainment operations, Army fixed wing aviation performs those missions which lie between the strategic and intratheater missions performed by the USAF and the tactical maneuver and movement performed by Army rotary wing or ground assets. Once cargo has reached the Army distribution system, it becomes an Army responsibility to distribute supplies from the logistical hub to the foxhole—the last tactical mile.

The JCA is procured to meet this requirement while transforming Army Aviation, specifically the Army National Guard and the Army Reserve fixed wing fleets, to a more modern, capable force. Without transformation of the Army's legacy fixed wing fleet, the Army will continue to pour funding into antiquated aircraft that provide limited value on the battlefield and fly the CH-47 helicopters on costly re-supply missions, thus limiting the flexibility of the Joint force ground component commander.

The JCA is an Army led, Joint program between the Army and the Air Force. As an example of joint teaming between the Services, JCA roles, missions, and concept of operations were validated by the Joint Capabilities Integration Development Sys-

tem (JCIDS) process, approved by the Joint Requirements Oversight Council (JROC), managed by a Joint Program Office (JPO), and produced a Memorandum of Agreement, cosigned by the Vice Chiefs of Staff of the Army and the Air Force.

For the Department of Defense, JCA offers greater efficiency by utilizing a single platform to meet both the Air Force and the Army missions and improves effectiveness in managing the gray area where operational and tactical missions overlap. Effectiveness for the services results from each service having a joint platform that meets its unique individual mission requirements better than current alternatives do.

QUESTIONS SUBMITTED BY MR. MILLER

Mr. MILLER. You have said in the past that the Army is "out of balance." I am particularly concerned about the Reserve Components. We continue to involuntarily call up men and women from the Individual Ready Reserve (IRR). Some of these men and women have not had formal military training in years and they are being placed in direct combat after a short period of refresher training. What is the current status of involuntary IRR activations? How much longer do you expect to continue involuntary IRR activations?

Secretary GEREN and General CASEY. Most of those called up involuntarily from the IRR are junior enlisted and officer Soldiers who have been out of the regular Army less than three years and in many cases have been previously deployed. Since 9/11, over 12,000 IRR Soldiers have been involuntarily mobilized, of which approximately 6,000 are serving on active duty today.

All IRR Soldiers report to a mobilization station (Fort Jackson, South Carolina or Fort Benning, Georgia) and undergo a medical screening and complete Soldier Readiness Processing (SRP) before commencing training activities. Soldiers receive up to two weeks of training (basic rifle marksmanship, first aid, urban operations and convoy operations) at the mobilization station and then receive three to four weeks of skills refresher training prior to joining their assigned unit. Soldiers normally join their unit prior to deploying to theater and receive an additional three to four weeks of collective training.

The Army provides Soldiers based on requests for forces from the combatant commanders. The Army will continue to utilize IRR Soldiers to fill GWOT manning shortages within the active component, Army National Guard, and the Army Reserve until directed to do otherwise.

Mr. MILLER. I am told that an alarming number of those called involuntarily out of the Individual Ready Reserve do not report for duty. As I have been advised, in a recent wave of involuntary IRR call ups, 160 letters were sent out and only 61 reported for duty. What actions does the Army take when IRR members do not report for duty upon being involuntarily recalled?

General CASEY. The two most common reasons a Soldier fails to mobilize are orders being delivered to incorrect addresses or a mobilizing Soldier requests a delay or exemption (D&E). Over half of the IRR Soldiers involuntarily recalled request a D&E for various hardship reasons. Soldiers are authorized to submit D&E requests up until the day they are required to report which escalates the number of no shows at the mobilization station. More than half of the D&E requests are approved.

The U.S. Army Human Resource Command's Mobilization Accountability Assurance Team (MAAT) is responsible for locating IRR Soldiers who fail to report as ordered, whether voluntarily or involuntarily to the mobilization station. The MAAT can spend up to two years resolving such cases. Once determined, Soldiers who intentionally refused to report are processed for administrative separation and discharged. Soldiers are notified of their pending separation/discharge and have 30 days to respond or submit an appeal. In most cases these Soldiers do not respond and the separation action is complete within four to seven months.

Mr. MILLER. I am concerned about that the Army is losing many of its best and brightest junior officers. Other than bonus money, graduate school, and posting preference what other incentives have you thought about to retain top junior officers in our Army?

Secretary GEREN and General CASEY. The average United States Military Academy (USMA) graduate loss rate for year groups 1991-2002 is 29% at 60 months of service (5 years), and 41% at 66 months of service (5.5 years). Attrition rates for year groups 2000-2002 are approximately 5% higher than the average at 60 months and 2% higher than at 66 months of service. Overall, there is no statistical significance in the loss rate differences from USMA year groups 1991-2002.

The increased loss rates, regardless of statistical significance, are still of concern to the Army. We have, therefore, begun a thorough review of officer accession and

retention policies, and are assessing the overall health of the officer corps. We have instituted two initiatives to boost officer retention. First, we provide the highest-performing cadet officers from West Point and our ROTC scholarship programs the opportunity to select either their branch of choice, initial post of choice, or a fully-funded graduate degree program. This incentive has garnered over 9,000 additional man-years of obligated service among year groups 2006 and 2007 officers. We expect this incentive will raise the number of high-performance officers electing to serve eight years by more than a third. Second, our unprecedented captain retention program offers a number of incentives, including graduate school or a cash bonus, to encourage our best and brightest officers to remain on active duty. Analysis of the results of our first several months of this program indicate a slight reduction in the loss rates of captains in the 2000 and 2001 year groups graduating from West Point.

QUESTIONS SUBMITTED BY MRS. BOYDA

Mrs. BOYDA. Have there been any integration problems with “In Lieu of” personnel embedding with Army units?

Secretary GEREN and General CASEY. In Lieu Of personnel (ILO) include personnel from other Services and Army personnel who have been trained to perform missions/tasks outside of their core competency/military occupational speciality. The Army integrates ILO personnel into units as early in the pre-deployment process as possible. Coordination for the integration of ILO personnel to Secretary of Defense-approved missions begins in the sourcing process and continues through training and subsequent mission preparation phases leading to deployment. The Army coordinates all necessary “In Lieu of” training with the Joint Staff and other services. Key players include the Joint Staff, Joint Forces Command, Central Command, the Services, the Office of the Secretary of Defense, and, as appropriate, Forces Command and 1st Army. There have been no systemic integration problems with “In Lieu Of” personnel embedding with Army units.

Mrs. BOYDA. How much longer will “In Lieu Of” personnel from other services be required to augment Army personnel?

Secretary GEREN and General CASEY. Today’s global demands for forces require the Army and other Services to augment each other’s capabilities in order to fulfill Combatant Commander requirements. The length of this augmentation is dependent on the current and future requirements from Combatant Commanders in support of the global war on terror. As requirements change, the Army, in coordination with Joint Staff and the other Services, will reassess the need for capability augmentation.

QUESTIONS SUBMITTED BY MS. TSONGAS

Ms. TSONGAS. While patrolling crowded and noisy urban settings in Iraq, U.S. troops have a difficult time identifying where enemy fire is coming from. Hostile fire has claimed the lives of more than 1,200 American soldiers in Iraq since combat began there in March of 2003. Indeed, it is my understanding hostile fire has become the second leading cause of American fatalities after IEDs. Mr. Secretary and General Casey, could you please discuss the Army’s intentions for funding sniper detection and protection systems? Does the Army’s budget include additional funding for sniper defeat systems? What is the status of the \$1.2 billion of sniper defeat technology and systems contained within the September 2007 supplemental? What is the long term strategy regarding sniper defeat technology? I would appreciate any detailed budgetary information.

Secretary GEREN and General CASEY. The Army received \$400 million in other procurement, Army funding for Rapid Equipping Soldier support systems in the FY08 bridge supplemental. The funds were allocated to procuring counter sniper items. The funding is less than the total FY08 counter sniper requirement of \$451 million, which is a reduction from the original request of \$1.2 billion and was based on a continuing refinement of the counter sniper requirements by the Army staff. Counter sniper systems being procured with current funding include:

- Boomerang gunshot detection system
- DoubleShot shot detection system
- Vanguard (which integrates a remote weapons station with Boomerang and DoubleShot for vehicle based Counter Sniper capability)
- handheld thermals, stabilized and ruggedized binoculars, security veils and vehicle nets, magnifiers and mannequins.

The remaining portion of the FY08 supplemental request includes the requirement for counter sniper procurement. The Army approved the transition of two sniper defeat capabilities into acquisition programs: vehicle/fixed site-based gunshot detection and Soldier-based gunshot detection. The third capability, a remote weapons station with a vehicle based gunshot detection system (similar to Vanguard) has been assessed to support an acquisition program decision. Funding requests have been incorporated into the Army's FY10–15 Program Objective Memorandum submission. If approved, a requirement for the Vanguard-like system would be submitted and expected to be a program of record in FY12.

